

PART 2

HOUSING

Data, Analysis & Policy Direction for Housing Issues
in La Habra

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Chapter I**INTRODUCTION**

Housing is of keen interest to La Habra because, like most other communities, there are unmet needs which are visible in its housing and neighborhoods and which are felt by its residents. La Habra shares with other localities extremely fundamental housing needs which vary from community to community only in terms of magnitude and severity, but not in their essential nature. Indeed, the City, like its neighbors throughout Southern California and the entire state, is faced with the following needs:

- * A need to keep housing in standard condition.
- * A need to have housing expenditures in reasonable relationship to the ability of residents to afford.
- * A need to provide a sufficient number of safe and sanitary dwellings to house the population of today and tomorrow.

To respond to these different but related housing needs requires time and patience as well as innovation. Those qualities have been manifested by La Habra's persistent endeavors over the last decade to pinpoint housing needs and to devise ways to address those needs.

During the past decade, there has been approximately 2,275 building permits issued for the rehabilitation and improvement of residential units. Of this total, homeowners of 44 units were assisted through loans made available through City programs and the City's partnership with Neighborhood Housing Services. Aimed for first time home buyers, 162 apartment units were converted to affordable condominiums through the City's condominium conversion ordinance process; and 14 loans to purchase housing were made available through the partnership of the City/Financial Institutions/Neighborhood Housing Services. In other actions to preserve housing, the City initiated General Plan amendments which conserved approximately 200 units with residential land use designations. Through the City's participation with the Orange County Housing Authority, 243 families in the City were provided rental assistance. In addition, 424 loans were made for housing purchases with a unique Mortgage Revenue Bond implemented by the City.

Approximately 1,100 new units were added to the City's housing stock. Of this total 5 units were second units on single family lots; 7 were elderly flats or "granny" units; 18 were modular/ manufactured single family homes; 192 units were developed on properties identified from the 1981 Housing Element Vacant Residential Land Survey; 234 senior housing units were developed; a 61 unit senior condominium project was developed and 7 new homes were constructed through the partnership of Neighborhood Housing Services.

These and other housing programs and efforts initiated by the City to accomplish the goals of the City's Housing Element, are discussed in detail in other portions of this Element. This update to the Housing Element continues to demonstrate the City's serious involvement in identification and development of efforts to address the housing needs of the community.

PURPOSE

From time to time, the legislative definition of a housing element as well as the guidelines for its preparation have been modified. Section 65583 of the Government Code now defines a housing element in the following terms:

"The housing element shall consists of an identification and analysis of existing and projected housing needs and a statement of goals, policies, quantified objectives, and scheduled programs for the preservation, improvement, and development of housing. The housing element shall identify adequate sites for housing, including rental housing, factory-built housing, and mobilehomes, and shall make adequate provision for the existing and projected needs of all economic segments of the community. "

The present legislative definition, therefore, recognizes each of the three fundamental community housing needs described earlier:

- * Improvement to the housing stock.
- * Financial assistance needs (i.e. adequate provision).
- * Housing production requirements (i.e. adequate sites).

Under Government Code Section 65585, the Housing Element should contain such existing and projected needs of the "locality's share of the regional housing needs...of persons at all income levels within the area significantly affected by a jurisdiction's General Plan." In accordance, this revised Housing Element, explores the regional impact of housing needs and the constraints placed on the city in regards to meeting the Southern California Association of Governments (SCAG) Regional Housing needs allocation.

Chapter II

HOUSING NEEDS

Government Code Section 65583 indicates that the, "the housing element shall consist of an identification and analysis of existing and projected housing needs..."

In response to the legislative mandate, the heart of this revised housing element for La Habra presents key data and analysis which satisfy specific provisions of the Housing Element Guidelines. This analysis of the environment in which housing demand is generated, examines population and employment trends affecting the provision of housing, the physical condition of the housing stock and regional and special reference to groups within the population who face difficulties in obtaining suitable housing.

A. ENVIRONMENTAL SETTING:

The City of La Habra is located in the northwestern Orange County region, bordering on the Orange - Los Angeles County boundary lines. It is immediately adjacent to the cities of Whittier, La Habra Heights, La Mirada (Los Angeles County) to the west and north, to Brea on the east and Fullerton to the south (Map 2). The Southern California region is an attractive place to work and live. La Habra being part of this region shares many of its problems and characteristics.

La Habra is approximately 20 miles southeast of Metropolitan Los Angeles and 100 miles north of San Diego. Having undergone an active growth period in the 60's and 70's, the community is substantially comprised of single family residential neighborhoods and is at this point, substantially built out. As its northern most city, La Habra was one of the first cities to develop in Orange County. The overall growth was initiated in the northern part of the County which includes the cities of Anaheim, Fullerton, Orange, Westminster and Fountain Valley. As vacant land in north Orange County became scarce, the center of growth shifted to the southern part of the County where rapid housing productions increased within new communities such as Irvine and Mission Viejo.

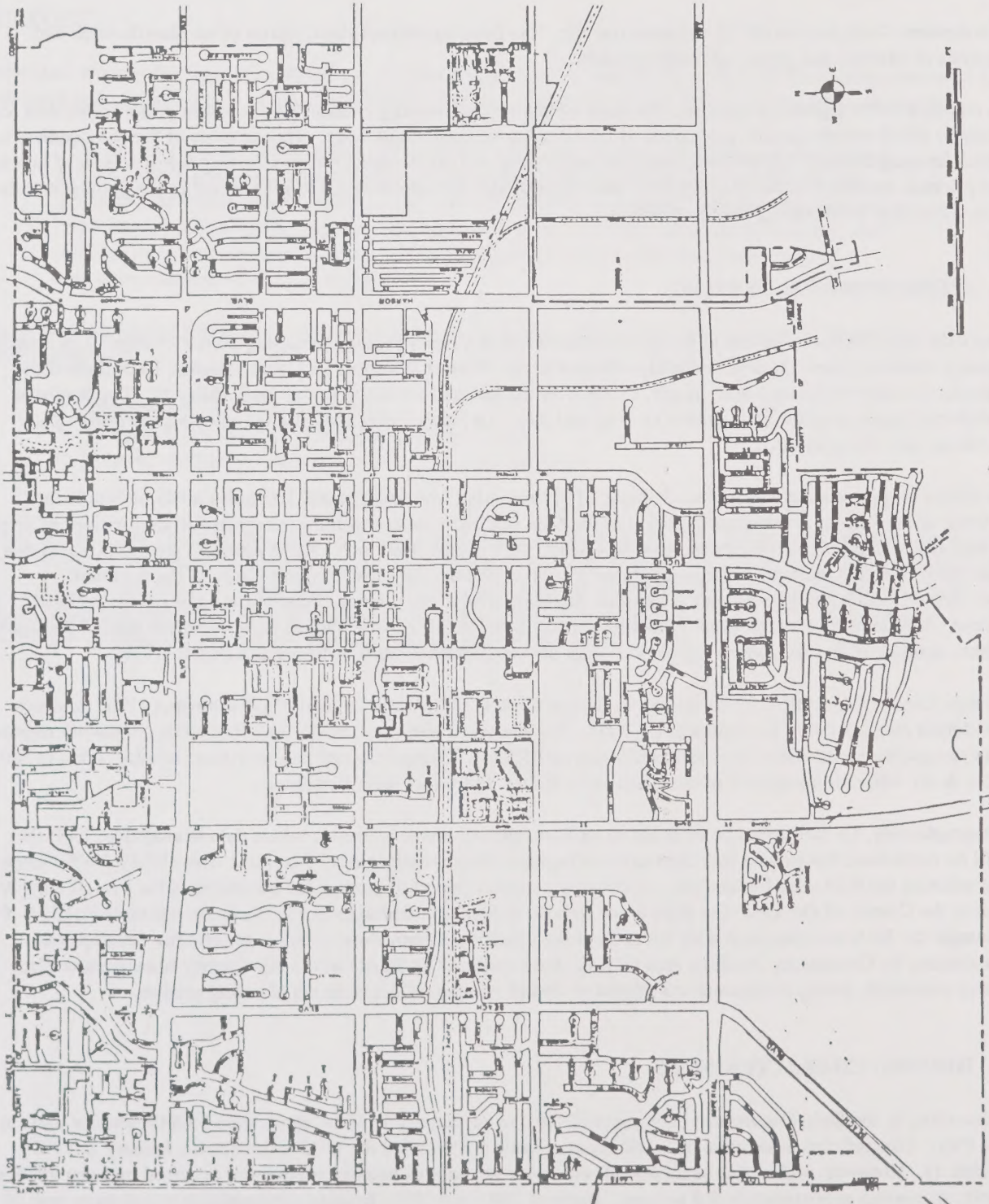
Orange County is one of six counties within the jurisdiction of the local council of governments of the Southern California Association of Government (SCAG). For analytical purposes, SCAG has divided its six county regions into geographic units called regional statistical areas (RSAs). Orange County has ten RSAs; and La Habra is within RSA A-36, which is comprised of the cities of La Habra, Fullerton, and West Brea.

Geographically, La Habra can be included in various regional areas, however, where data is available, La Habra will be considered throughout this Element on a regional basis with Regional Statistical Area (RSA)-36-Fullerton. By utilizing the RSA data for analysis, it provides a smaller region of contiguous jurisdictions for overall comparison to the County of Orange. The RSA areas are also utilized in other agencies for analysis and identification. For example the RSA are consistent with the method the County's Administrative Office utilizes for development monitoring by Community Analysis area (CAA), and is utilized by SCAG in the Air Quality Management Plan. By being consistent, intergovernmental coordination should be more effective in the planning process.

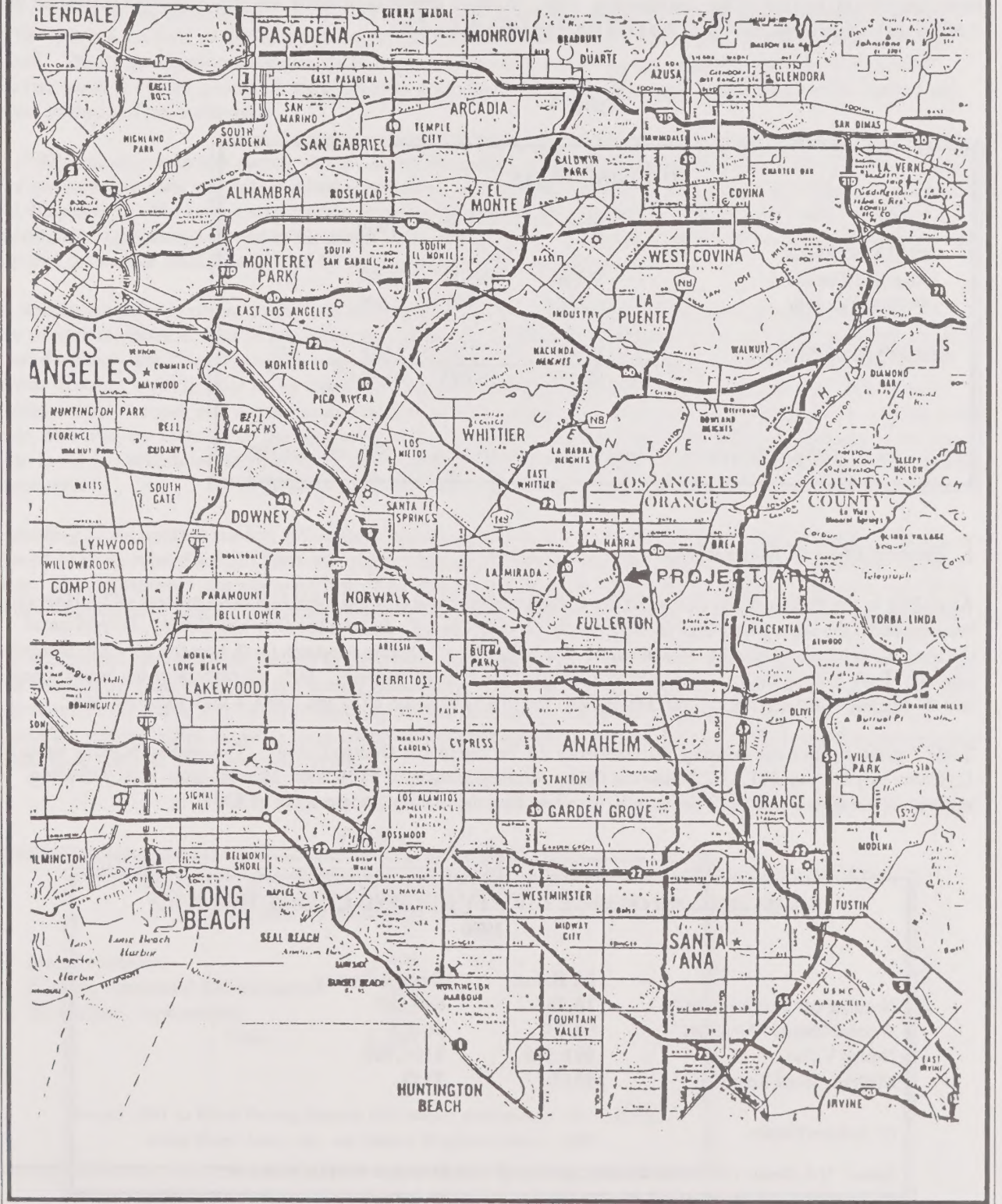
B. HOUSING CHARACTERISTICS:

According to the State Department of Finance (DOF), as of January 1, 1989, there were 18,644 housing units in the City. This reflects an increase of 2,160 housing units (13%) since the DOF estimates for January 1, 1979 (Table 1). However, within this same period, the major increase of housing production occurred between 1979 and 1985, increasing approximately 8.5 percent. Between 1985 and 1989, housing production lessened more than 50 percent with a 3.3 percent increase.

MAP 1 City Map



MAP 2
Regional Map



Currently, single family units, including both detached and attached, and mobile/modular homes total 11,141 units comprise 60 percent of the total housing units. Multiple family apartments and group quarters consisting of 7,503 units comprise 40 percent of the total housing units in the City.

Table 1

HOUSING UNITS			
	1979	1985	1989
SINGLE FAMILY			
Attached/Detached	9,760	10,509	10,500
Modular/Mobile	758	640	641
APARTMENT/MULTI	5,966	6,876	7,503
Total	16,484	18,025	18,644

Source: California Department of Finance Housing estimates January 1, 1979, 1985 and 1989.

1. Housing Tenure Characteristics:

According to the Federal 1980 Bureau of the Census report, renting households live in 42 percent of La Habra's housing units, the same percentage as reported for Orange County. In both the City and County, 60 percent of the housing units are attached/detached single-family homes. La Habra residents (both homeowners and renters), however, have been in their homes somewhat longer than County residents. Still, 48 percent of the homeowners and 87 percent of the renters in 1980 moved into their units between 1975 and 1980, a high turnover rate.

Table 2 presents the basic housing characteristics for La Habra and Orange County. The median housing value in La Habra in 1980 was \$91,516, below the Orange County median of \$106,800. Median gross rent, including utilities, in La Habra was \$317 per month, also less than the County wide median of \$358.

Table 2

LA HABRA AND ORANGE COUNTY HOUSING CHARACTERISTICS 1980		
	La Habra	Orange County
Number of Occupied Units	16,538	686,267
Percent Owner-Occupied	58.2%	60.5%
House Value	\$91,516	\$106,800
Median Gross Rent (1)	\$317	\$358

(1) Includes Utilities

Source: U.S. Census 1980; Urban Decision Systems, Inc.; and Economics Research Associates

2. Housing Stock Condition:

The majority of the housing stock of the City is maturing, as approximately 70 percent was constructed prior to 1970. Though the bulk of the housing stock in the City is between 20 to 30 years old, it is in general, well maintained. The greatest construction activity took place in the 1960s and 70s, consequently, the condition of the housing stock is overall good with some problem areas localized in specific neighborhoods within the central and oldest portions of the community.

In 1980 a housing condition survey was conducted for inclusion into the Housing Element (Table 3). The survey was conducted in order to grade residential structures according to their various degrees of soundness, deterioration and dilapidation. The survey was conducted within the Neighborhood Strategy Area, which is the area of older residential neighborhoods found in the center of the City (Map 3). The results of the survey indicated that 184 units required substantial rehabilitation and 57 units were in need of replacement.

To update this data, a current survey was conducted in 1988. The housing stock in need of attention was placed into two categories, those in need of rehabilitation and those in need of replacement. Units requiring rehabilitation were those dwellings which would require more substantial repair than those provided in the course of regular maintenance. Housing units in need of, or close to needing replacement were those which have sufficient defects as to require extensive repair and reconstruction in excess of the value of the structure. The updated survey was taken city wide, however, the majority of the figures regarding substantial housing rehabilitation and replacement were found to be in the Neighborhood Strategy Area, the central area of the City. Thus, the survey results should be somewhat comparable.

According to the updated survey, 180 units or approximately 1.00 percent of the entire housing stock of the City are in need of some rehabilitation (Table 4). Approximately 25 housing units or 0.13 percent, are in need of replacement. This represents a minuscule portion of the entire housing stock of La Habra. Most of these units are found in the Neighborhood Strategy Area, the older neighborhoods which exhibit some mixed density and/or mixed use.

The comparison between both surveys of 1980 and 1988 indicates that the vast majority of the housing stock in the City remains in sound condition and is well maintained. The central area of the City which was initially developed and therefore the oldest area of the community has the most concentration of the housing stock which requires substantial rehabilitation; however, this deteriorating condition has decreased in time. Dilapidated housing needing replacement has also decreased since 1980.

Table 3

SURVEY OF HOUSING CONDITIONS 1980
Neighborhood Strategy Area

Sound condition	3,959
Needing substantial Rehabilitation	184
Dilapidated, replacement	57
Total	4,164

Source: 1981 La Habra Housing Element Field Survey performed by TDC Planning, Alfred Gobar Assoc., Inc. and Barbara Weightman Assoc., 1980.

MAP 3

NEIGHBORHOOD STRATEGY AREA

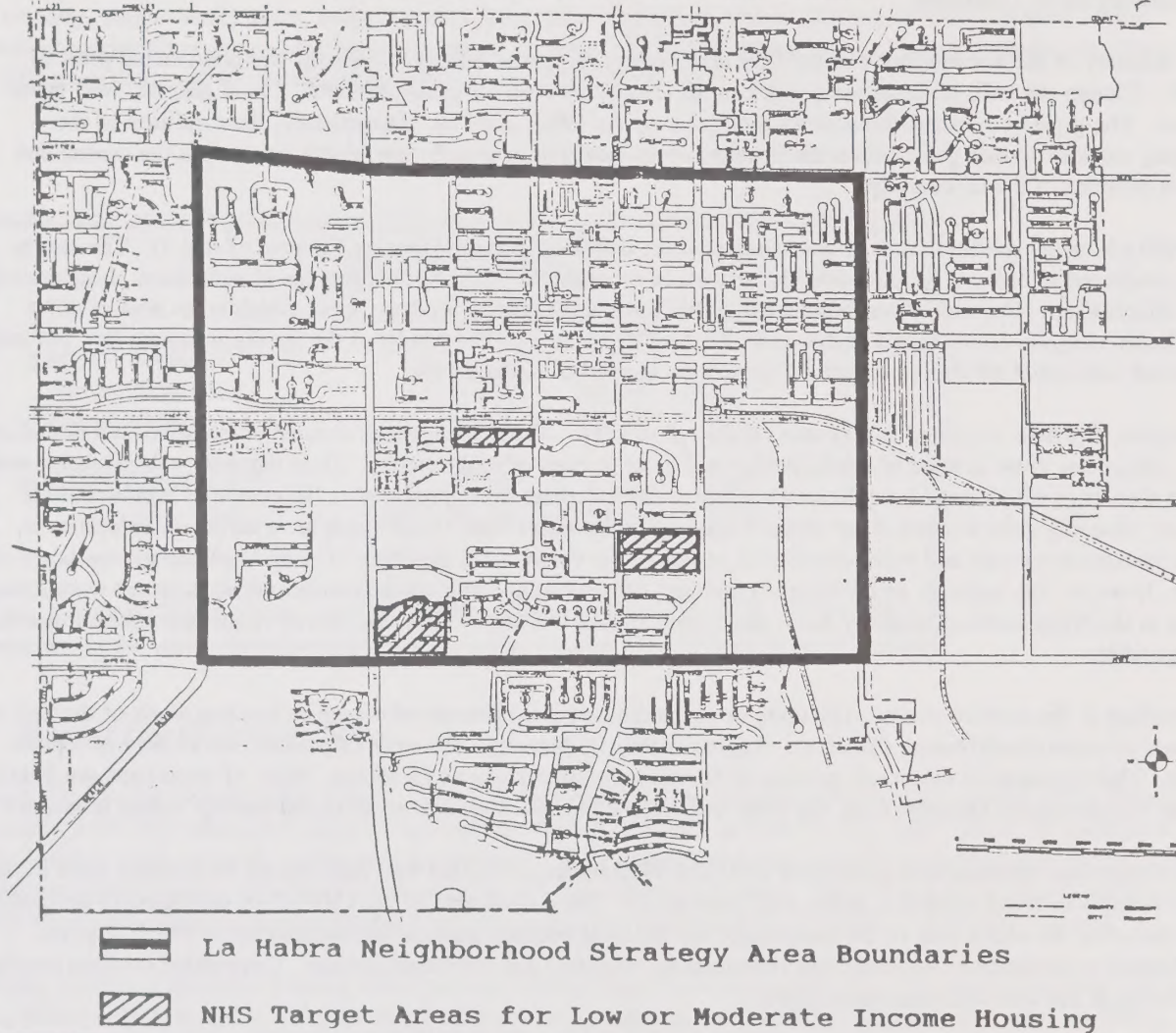


Table 4

SURVEY OF HOUSING CONDITIONS

1988

City wide

Sound condition	17,964
Needing Substantial Rehabilitation	180
Dilapidated, Replacement	25
Total	18,169

Source: La Habra Planning Department, Clair Associates Inc. 1988.

C. POPULATION CHARACTERISTICS:

La Habra experienced its major growth in the 1950's through the 1970's and currently, the City is substantially developed, likewise, construction activities have significantly lessened. La Habra's population currently stands at 49,005 residents, according to the 1989 California State Department of Finance estimates. This population resides in some 18,644 housing units. Between 1979 and 1989, La Habra gained 4,937 (11.2%) new residents, but experienced an increase of 2,160 (13.1%) housing units. This higher rate of housing production compared to the rate of population growth is a function of the replacement of older single family units with multiple family apartments and condominiums as well as a significant gain in the number of single person households. By the year 2000, the population of urbanized La Habra will stabilize and only a minor increase of housing production will occur. Replacement of existing housing will substantially lessen as the rehabilitation takes place and scarcity of appropriate land for higher densities occurs. However, on a positive note, it is expected that employment opportunities will increase with redevelopment of existing commercial areas, which would provide a more balanced community.

La Habra shares many of these same trends with its bordering communities within the RSA A-36 area (Table 7). Housing and population will continue to increase on a limited scale and will not dramatically out balance one another. The economic trend would indicate that employment opportunities will continue to improve in the City as projected by the Orange County Administrative Office forecast report of 1989 which shows an employment opportunities increase of 26 percent, between 1980 and 1988. The only significant difference is that La Habra is projected to lose population due to household changes, whereas the RSA-36 area will continue to experience increased population. The County on the whole however, will experience serious future demand for housing due to a current increase of population of 16 percent and 13 percent increase of employment generation between 1980 and 1988. Within that same period, the County only increased housing by 1.6 percent. Within the region, because of changing sociological and income conditions, the demand for housing has advanced at a faster rate than the overall pace of population growth (Table 5).

Table 5

POPULATION AND HOUSING City of La Habra 1979-1989						
	1979	1980	1985	1988	1989	% INC.
Population:						
Total	44,068	46,492	47,944	48,798	49,005	11.2
Households	43,915	46,280	47,647	48,420	48,590	10.6
Mobilehome	1,267	1,026	976	995	*	-27.3
Group Qts.	153	214	297	378	415	171.2
Housing Units:						
Total	16,487	17,672	18,025	18,419	18,644	13.1
Occupied	16,155	17,081	17,409	17,911	18,022	--
S.F.	9,760	10,652	10,509	10,507	10,500	7.6
2 -4 units	1,462	1,213	1,318	1,384	1,440	-1.5
5 + units	4,504	5,177	5,558	5,887	6,063	34.6
Mobilehomes	758	630	640	641	641	-18.2
Vacant %	2.00	3.34	3.42	2.76	3.34	6.6
Pop/HH	2.71	2.70	2.73	2.70	2.69	-0.8

*Mobilehomes households were included in total household estimates and were not separated for 1989.

Source: California State Department of Finance, estimates 1979-1989.

1. Age of Population:

Between 1980 and 1989, the population of the City increased 11.2 percent, however the population per household has reduced 0.8 percent. The population characteristics according to the 1980 Census, indicated that 30% of the residents were under 20 years of age, 61% within the 20 to 64 year age bracket, and 8.5 percent of the population was 65 years of age or older. Accommodating the population increase, within the same period, an increase of 13 percent of new housing was produced consisting of 790 detached single family homes (7.5 % increase) and 1,559 multiple family and attached single family homes (34.65 % increase).

Within the four year period between 1976 and 1980, there was a slight decline in the number of school age children and residents between the age of 35 and 54. The population however, increased in percentage of residents between the ages of 20 and 34 and significantly increased with residents that are 55 and older (Table 6).

Table 6

AGE OF POPULATION City of La Habra					
Age Category	1976 Special Census		1980 Census		% CHANGE
0 - 9	6,093	14.16 %	6,192	13.69 %	1.62
10 - 19	8,378	19.47 %	7,586	16.77 %	-1.04
20 - 34	10,978	25.52 %	12,538	27.72 %	1.42
35 - 54	10,776	25.05 %	10,264	22.69 %	-0.49
55 - 64	3,771	8.76 %	4,792	10.59 %	2.70
65 - +	3,016	7.01 %	3,855	8.52 %	2.88
TOTAL	43,012		45,227		

Table 7

POPULATION AND HOUSING, EMPLOYMENT TRENDS
Orange County, RSA-36, La Habra 1980 -2000

POPULATION

AREA:	1980-88			1995-00		
	1980	1988	% INC.	1995	2000	%INC.
LA HABRA	45,050	48,798	8.3	49,424	48,274	-2.4
RSA-36	168,782	183,494	8.7	186,100	188,900	1.5
COUNTY	1,921,500	2,238,721	16.5	2,463,800	2,549,200	5.5

HOUSING

AREA:	1980-88			1995-00		
	1980	1988	%INC.	1995	2000	%INC.
LA HABRA	16,928	18,419	8.8	19,257	19,314	0.3
RSA-36	64,578	69,408	7.5	73,500	75,900	0.6
COUNTY	709,562	829,256	1.6	935,800	1,002,100	7.1

EMPLOYMENT

AREA:	1980-88			1995-00		
	1980	1988	%INC.	1995	2000	% INC.
LA HABRA	14,350	18,164	26.6	22,326	23,030	3.1
RSA-36	88,722	98,262	10.8	132,600	136,600	3.0
COUNTY	1,067,100	1,205,040	12.9	1,473,800	1,613,000	9.9

Sources: U.S. Census, 1980, Orange County Administrative Offices - Estimates Orange, County Progress Report 1988-89, and California Department of Finance City of La Habra Estimates

2. Ethnicity:

The ethnic characteristics of the City's population, according to the 1980 Census, indicates 85.8% of the population as White, 0.3% Black, 0.6% Native American and 2% as Asian. Of the total White population, 26% consists of residents of Spanish surnames, or 22% of the total population (Table 8).

Table 8

ETHNIC CHARACTERISTICS
U.S. Census 1980

TOTAL PERSONS	45,232	% OF TOTAL
WHITE	38,787	85.75
(SPANISH SURNAME)	10,052	(22.22)
BLACK	144	0.31
NATIVE AMERICAN	269	0.59
ASIAN	992	2.19
OTHER	5,040	11.14

Source: 1980 Census

3. Income Characteristics:

Table 9 presents population income characteristics for La Habra and Orange County. La Habra's 1980 median household income was \$21,070, or 6.6 percent less than the county wide median household income. "Median" income is the middle income figure at which half of the households in the area have greater incomes, and half have lower incomes. A 1986 projections by Urban Decision Systems, estimated that the median household income in 1991 for the City would be \$37,088 as compared to the estimated County median of \$39,875.

The 1980 income per capita in La Habra of \$8,824 was 7.8 percent less than the county wide per capital income figure. Per capita income is total income in an area divided by the total population. Despite La Habra's lower average income relative to Orange County, its income level is significantly higher than the median for Los Angeles. The 1980 median household income in La Habra was 20 percent greater than the Los Angeles median household income of \$17,653.

Also, La Habra's income per capita is increasing at a faster rate than Orange County's income per capita. As shown on Table 9, La Habra's income per capital increased by 133.3 percent during the 1970's while Orange County's per capita income increased by 122.5 percent during the decade. Projected by Urban Decision Systems, Inc., La Habra's income per capita will more than double in 1991 to \$18,148 compared to the County's \$19,021 for the same year.

Table 9

INCOME CHARACTERISTICS City of La Habra & Orange County 1970-1980

	Median Household Income	Income Per Capita
La Habra		
1970	N.A.	\$3,785
1980	\$21,070	8,824
Percent Change	N.A.	133.3 %
Orange County		
1970	N.A.	\$4,299
1980	\$22,557	9,567
Percent Change	N.A.	122.5 %

N.A. means not available, 1970 Census did not report house hold income figures.

Source: U.S. Census 1970 and 1980; Urban Decision Systems, Inc.; and Economic Research Associates.

Table 10 presents 1980 household income distribution in La Habra. Approximately 42 percent of the households had annual incomes in excess of \$25,000, and 18 percent had annual incomes less than \$10,000.

Table 10

HOUSEHOLD INCOME DISTRIBUTION
City of La Habra 1980

Income Groups	Households	Percent
Less than \$5,000	1,234	7.6 %
\$ 5,000- 9,999	1,723	10.6
\$10,000-14,999	2,130	13.1
\$15,000-19,999	2,205	13.6
\$20,000-24,999	2,117	13.0
\$25,000-29,999	1,691	10.4
\$30,000-34,999	1,515	9.3
\$35,000-39,999	1,033	6.4
\$40,000-49,999	1,207	7.4
\$50,000-74,999	964	5.9
Over \$75,000	405	2.5
Median	\$21,796	
Average	\$26,159	

Source: U.S. Census, 1980 and Economic Research Associates.

D. EMPLOYMENT TRENDS:

One of the ideal goals of a community is to become more "balanced" and self contained, whereby people live, work and recreate within the convenience of the community. The City of La Habra, through the implementation of the General Plan has strived for this community balance. One of the objectives of the General Plan is to shorten journeys to work by encouraging the location of job generating uses into the City. For La Habra, the 1980 Census indicates that mean travel time of the residents in the City is 24.5 minutes, which means that the majority of the residents work outside of the community. La Habra being on the border between Orange County and Los Angeles County also shows, that 55.7 percent work within Orange County and 44.3 percent work in Los Angeles and other neighboring counties.

La Habra could be considered a housing rich community by indication of jobs to housing units ratios. According to the Orange County Administrative Offices forecasts (Table 7), the City in 1980 was estimated to have a job/housing ratio of 0.8477. In 1988, the County offices projected that this ratio was improved at 0.986. If goals are achieved in accordance with the General Plan, and job generating users are encouraged into the City, the ratio will again improve to a projected ratio of 1.15 by the year 2000.

The 1980 Census also reported that over 65 percent of La Habra families have two or more working members. This is slightly higher than the region and substantially higher than the state or nation. It is estimated that this trend will continue on through the rest of the century. The resulting increase in the La Habra labor force available for local employment opportunities can assist in mitigating the job/housing imbalance, high cost and aggravation of urban congestion.

Table 11 delineates the occupational breakdown of employed city residents, according to the 1980 Census. City residents tend to be employed in "white-collar" professions and occupations. The largest job category is clerical, followed by managerial and professional/technical positions. Approximately 40 percent of La Habra residents are employed in "blue-collar" professions, compared to 38 percent in Orange County as a whole who are employed in such professions.

Table 11

OCCUPATION DISTRIBUTION City of La Habra 1980		
	Number	Percent
Professional/Technical	3,240	14.1 %
Managerial	3,440	15.0
Clerical	4,213	18.4
Sales	2,812	12.3
Total White Collar	13,705	59.8 %
Craftpeople	2,794	12.2
Operatives	2,643	11.5
Service Workers	888	3.9
Farm Workers	291	1.3
Total Blue Collar	9,226	40.2 %
Total	22,931	100.0

Source: U.S. Census 1980, Urban Decision Systems
Inc. and Economics Research Associates.

E. SPECIAL NEEDS:

There are certain categories of householders who, because of their physical condition, particularly space requirements or other factors are "special need households". These households include the handicapped, elderly, large families, farmworkers, families with female head of households and families with persons in need of emergency shelter.

1. Disabled/Handicapped:

The disabled/handicapped is defined as persons determined to have a physical impairment or mental disorder which is expected to be of indefinite duration and is of such nature that the person's ability to live independently could be improved by more suitable housing conditions.

The 1980 Census indicates that the number of persons who have physical disabilities that are either work and/or public transportation related, totaled 2,338. Of this total 1,238 persons (52%) were prevented from working because of such disabilities. Total number of adults residents (16 years and over) unable to work is 5.5 percent of total labor force.

To assist the handicapped in providing adequate housing to meet their special needs, the state of California, in 1984, mandated Title 24, of the Uniform Building Code. Title 24 provides regulations for adaptability and accessibility of new apartment buildings to provide for the safety and welfare of physically handicapped inhabitants and visitors.

An adaptable apartment is one that is accessible for entry and circulation and that can at any future point, be adapted to meet specific needs of a handicapped person. A developer of a project consisting of 5 or more apartment units with ground floor units having livable space, must allocate \$780.00 per unit to insure handicap adaptability and accessibility. These improvements would include the installation of wider doors, grab bars, lower cabinets, lower light switches and sidewalks on front door ramps.

Since Title 24 went into effect in September of 1984, the City of La Habra approved 11 apartment complexes consisting of a collective total of 121 units. Of this total, 79 units or 65 percent, were handicapped accessible units.

2. Elderly:

Another population segment which requires special consideration is the elderly. "Elderly" is defined as a person 62 years of age or older. According to the 1980 Census, 4,987 residents were reported as 62 years or older, comprise 11 percent of the total population of 45,232. Of the total elderly, 2,945 or 59 percent are female. The 1980 Census, however, provides additional data on residents that are 65 years and older. Residents 65 and older comprise 8.5 percent of the total population. Of those residents of 65 and older, 98 percent are residing in households and only 2 percent are in institutions. Of the total population of 65 and older, 43 percent live alone. Householders 65 years and older occupy 17 percent of the total occupied housing units in the City (Table 12).

Table 12

ELDERLY TENURE		
	Housing	Occupancy
Owner Occupied	1,590	61 %
Owner Occupied below poverty level	322	
Renter Occupied	1,006	39 %
Renter Occupied below poverty level	725	
Source: 1980 Census.		

The elderly, with relatively fixed incomes, may be very vulnerable to rapidly rising housing costs. The majority of the elderly below poverty level are renters and for these residents, on fixed or modest incomes, housing costs may reduce monies needed for life's necessities such as food, clothing, and medical care, as well as for entertainment and transportation. They are further affected as housing and land costs impact the commercial/retail enterprises they patronize.

3. Overcrowding/Large Families:

Overcrowding is an indicator of households who lack adequate space and privacy to meet their daily needs. The existence of this need is measured on the basis of the Census which defines an overcrowded unit as one occupied by 1.01 persons or more per room. Overcrowding is an indicator of households who may be financially unable to obtain adequate space for their needs, and not necessarily a reflection of an inadequate physical condition of the housing unit. Overcrowding therefore, is a household characteristic that could be synonymous with the needs of Large Families (defined as 5 or more family members).

According to the 1970 Census, the number of overcrowded households was 6.1 percent of all households occupied. In 1980, the number of overcrowded households decreased to 5.6 percent (Table 13).

Similarly, in 1970, the Census indicated that 21 percent of the occupied units were inhabited by large families, whereas in 1980, the Census shows a significant decline to only 12 percent of large families residing in the city.

Table 13

OCCUPIED HOUSEHOLDS COMPARISON

	Census 1970		Census 1980	
Median Number of Persons				
Per Total Units	3.06		2.36	
Per Owner Units	3.59		2.66	
Per Renter Units	2.55		2.02	
Total Occupied Units	12,612		16,538	
Large Families	2,670	21.2%	1,981	11.9%
Overcrowded Units	767	6.1%	976	5.6%

Source: 1970 and 1980 Federal Census.

4. Farmworkers:

Another segment of the population which requires special housing consideration are farmworkers. According to the 1980 Census, 291 residents classified their occupation as farm workers, comprising 1 percent of the total employed City residents and representing approximately a fraction of one percent of the total population. It should also be noted, that there are no farms or agricultural uses in the City.

5. Female Head of Households:

The U.S. Census indicates that La Habra contained 16,538 households in 1980. Although the majority 60.3 percent of the households, contained married couples with 2-4 total family members, there were a considerable number of single person households (21.3 percent), single adult family households (13.2 percent) and unrelated person households (5.14 percent) (Table 14).

An analysis of the single family adult head of households, shows that 76.7 percent of the total have adult female households. This group typically displays a need for housing assistance due to the demand for day care services and lower wages earned, and is therefore identified as a special needs group.

Table 14

HOUSEHOLD TYPES			
Total Households	16,538		
Living Alone	4,373	26 %	
Families	12,165	74 %	
Families			
Married- families	9,974	82 %	
Single- families	2,191	18 %	
Single			
Male household	532	24 %	
Female household	1,659	76 %	

Source: U.S. Census 1980.

Female head of households represents approximately 10 percent of the total households in the City as of 1980. Of the total number of female head of households, a substantial majority, 1,024 or 62 percent, have children under the age of 18. Though, the majority of female households were in the labor force, this segment of the community generally represents one of the lowest categories of wage earners as compared to other householders. For the 600 families identified as earning income below 1979 poverty level, female head of households comprised 275 or 45.8 percent of the total (Table 15).

Table 15

FAMILY INCOME BY TYPE	
FAMILIES	\$27,141
With own children under 18 yrs.	27,191
Without own children under 18 yrs.	27,091
MARRIED-COUPLE FAMILIES	29,075
With own children under 18 yrs.	30,166
Without own children under 18 yrs.	28,091
FEMALE HOUSEHOLDER/NO HUSBAND FAMILIES	15,652
With own children under 18 yrs.	13,621
Without own children under 18 yrs.	19,327

6. Emergency Shelter/Homeless:

The question of whether or not there is an actual existing need for housing for those persons and families that are without any means of shelter, and are basically "homeless", is addressed in this element.

In recent years, the population of the homeless has grown to national significance. The prime cause of this national problem of homelessness is the lack of affordable housing. Unemployment, poverty, malnutrition and illiteracy are also factors which contribute to the vicious cycle of poverty. The homeless population in the nation can be divided into two major groups, the chronically transient and families with small children.

The chronically transient homeless person is usually a de-institutionalized mental health case. These people are often alcohol/substance abusers, although mental illness, respiratory infections and malnutrition are common contributors to the general poor health of the homeless person. They are predominantly male, and usually they know how to utilize available charitable and government services. Families become homeless for different reasons than that of the transient person. A certain percentage of homeless families come from other areas seeking employment. Their efforts are hampered in part by outdated skills. They usually are able to find employment in minimum wage jobs, however, they rarely make enough money to support their families. In other situations, medical illness has depleted a family's savings and other assets. Commonly, these families are living on the economic edge to begin with. Rent payments for shelter in some of these cases are two thirds of a family's monthly income, leaving insufficient amounts for food and other necessities such as medical care. If a wage earner in this type of a situation loses his/her job, the family cannot pay their rent and are evicted. They resort to living in their cars and depend upon community service programs and churches for food and shelter.

While larger cities may have definitely recognized and dealt with their homeless population, this City has historically, been largely untouched by this type of a problem. The La Habra Police Department, during the preparation of this Element, performed several City wide inspections to ascertain the number of homeless persons within the City boundaries. According to their report, there are apparently not more than six homeless persons in the City at any one time. For example, one inspection reported that there was one small family consisting of a mother and two adult males. These numbers, however, account only for the obvious "visible" homeless. The majority of the

adult males. These numbers, however, account only for the obvious "visible" homeless. The majority of these visible homeless are "residents" who are adults and for reasons of their own, choose to live in this manner, though assistance from the City has been offered and provided.

To assist these persons, and others in dire need of shelter, the La Habra Community Resource Care Center governed by the Resource Council, a non-profit organization, was formulated in 1983. The Center was formed with the cooperation of 12 local churches and organizations with monetary contributions from the City of La Habra. The organization was formed in an effort to avoid duplication of services to the needy. The Care Center was opened in October of 1986. The La Habra Community Resource Care Center reports that an estimated 54 percent of their clients are families with children, 12 percent are single females with children and 34 percent are single males and married couples without children. The type of assistance requested of the Center range from; emergency lodging, utility assistance, gasoline vouchers, bus passes, rental assistance, food, and/or clothing.

For inclusion in this Element, the City attempted to quantify the "invisible" homeless. The Center surveyed in April 1989, a total of 504 individuals that they assisted, which they identified as 286 adults including approximately 100 as single adults, and 219 children. Of this total, 8 families requested some type of assistance for shelter.

The Center provides emergency lodging in the City at the Sunset Inn Motel, the Oasis and the Highland Motel which have voucher agreements with the Center (Map 4). In a given week the Center may send approximately 2-3 families to these temporary shelters because of emergency situations, i.e. fire, eviction, domestic abuse, etc.. Most families however request monetary assistance because they are living on the "edge", in an apartment and unable to pay the rent. Without rental assistance these families would most definitely become homeless.

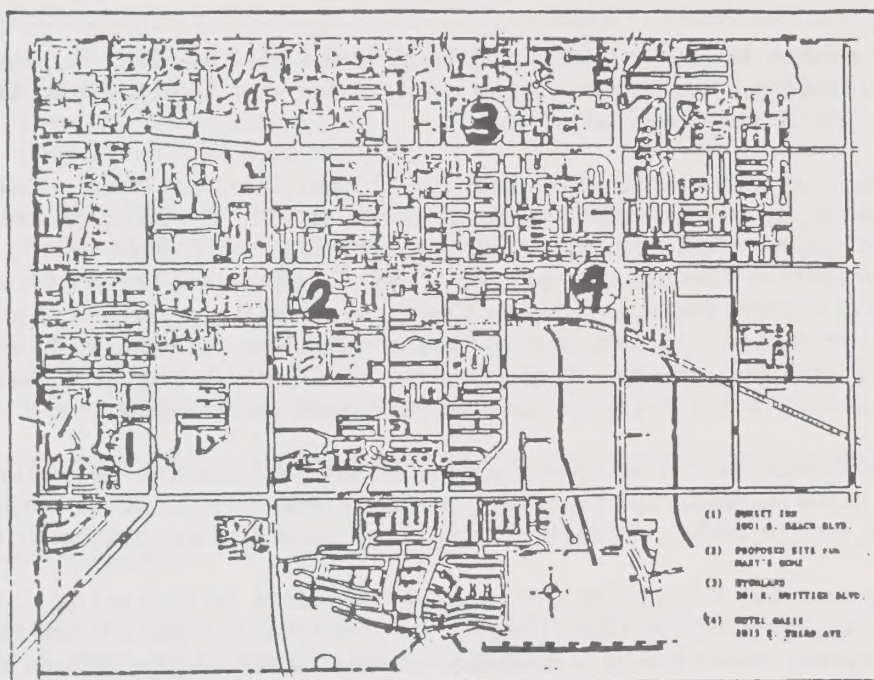
The estimated number of homeless in the City also coincides with a report prepared by the Research Committee of the Orange County Homeless Issue Task Force, entitled; " Demographic Profile and Survey of Homeless Persons Seeking Service in Orange County," February 1990. The Task Force, founded by Senator Marian Bergeson in 1986, surveyed for this report, a total of 6 respondents (homeless persons), in the City of La Habra.

The Resource Care Center also refers people to various organizations within the County for extended shelter needs, and to the City's Jobs Plus Program offered by the Employment And Training Department at City Hall for employment opportunities.

While the homeless population in the City has not reached unmanageable proportions, it is evident that some need exists. The data collected on the count of the homeless for this section of the Element, should however, be considered at minimal because of the many unknown factors involved. For example, the survey could not include persons or families temporarily sheltered in private homes of City's residents, persons living in a nonhabitable structure such as a garage, living in a motel, and/or those homeless who do not seek any type of assistance and are not readily visible.

The City's Social Services Department currently operates several programs to assist the homeless and others in need, with food, clothing and costs for temporary emergency shelter. Other pro-grams being anticipated and studied is the possible development of an interim shelter facility for homeless in the City, (Map 4, #2).

Map 4
Location of Temporary Shelters



F. REGIONAL HOUSING NEEDS:

State Housing Law requires SCAG to identify Existing and Future Housing Needs every five years. The most recent (1988) Regional Housing Needs Assessment (RHNA), identifies each jurisdiction's Existing Housing Needs in relationship to the regional setting, as of January 1, 1988 and Future Housing Needs to July 1, 1994.

Existing Need in the 1988 RHNA is defined as the number of lower income households paying more than 30 percent of their income for housing. The data base in the 1988 RHNA is the 1980 Census.

Future Need in the 1988 RHNA is defined as the number of units that need to be added to each jurisdiction to accommodate the forecasted growth in the number of households by July 1, 1994, as well as the number of units that would have to be added to compensate for anticipated demolition and changes to achieve an "ideal" vacancy rate.

1. Existing Need:

According to the RHNA, La Habra (1988) has a total of 17,911 households. Of these, 2,918 (16%) are lower-income households in need. Households having existing need for affordable shelter are those that earn 80% or less of the median income of the County and are paying more than 30 percent of their income toward a shelter

payment. Households in need are categorized as low and very low income, for example, a family of four would have an income of \$23,450 for very low and \$34,000 for low (Table 6). A very low income family would have to pay \$7,035 (30% of total income) or more for shelter and the low income family would pay \$10,200 (30% of total income) or more. This type of existing housing need is further broken down by tenure type (owner and renters) in the RHNA.

Table 16

LA HABRA HOUSING NEEDS ASSESSMENT 1989-1994**Existing Need**

Very Low Income		Low Income		Total
Owner	Renter	Owner	Renter	
287	1,473	219	939	2,918

Source: RHNA, Revised December 1988.

2. Future Need:

The RHNA, projects future needs for La Habra during the projected five year growth, adjusted for vacancy and the local income distribution. For the 1989 - 94 period, it is estimated that 1,082 housing units will be needed in the City to meet future demands. This growth need is distributed according to income category as follows:

Table 17

FUTURE HOUSING NEEDS BY INCOME CATEGORY

Income Category	5-Year Growth Need 1989-1994	
Very Low (0 - 50 %)	192	17.7 %
Low (51 - 80 %)	255	23.5 %
Moderate (81 - 120 %)	253	22.7 %
High (121 % +)	391	36.1 %
Total	1,082	100.0 %

Source: RHNA, Revised December 1988.

Though 41.3 percent of future housing needs is for the lower income households, 58.7 percent of the household needs in the City are for the moderate to higher income households (Table 17).

The State Housing Law requires that in allocating future needs by income levels for each city, that "impaction", or the concentration of lower income households, be avoided. This means that the percentage distribution of very low and low income households accommodated by additional units should be less than the existing percentage of such lower income households in jurisdictions that already exceed the regional average percentage of such households.

The intent of the RHNA therefore, is to avoid impaction by allocation of reduced percentages of lower income and increased percentages of moderate and high income units to impacted jurisdictions, while doing the reverse for nonimpacted jurisdictions.

However, by comparison to Orange County, approximately 70 percent of the City is comprised of mature housing by land use. According to the Revised RHNA, 1988, there are 41.7 percent of the households that are lower income in the City (Table 18). This percentage exceeds the regional average of 40.2 percent. This means that the RHNA adjusted allocations to avoid impaction was to give future need lower income percentages 25 percent closer to the regional average percentage than the percentage now existing in each jurisdiction.

Though this may have been uniformity applied, the results are that some jurisdictions already impacted or have a high percentage of concentration of lower income households, are assessed with higher percentages of future needs than those cities with lower percentage of housing for the lower income categories of households.

La Habra to meet its future needs (five year period), would have to increase its current households units by 447 (2.5%) to provide for lower income households.

Table 18

CITIES IN ORANGE COUNTY PERCENTAGES OF FUTURE NEEDS

Regional Housing Needs Assessment 1989-1994

Jurisdiction	Existing Total HH	Existing Total % LIHH	Future Lower Inc. (% VL & L)	Future Higher Inc. (% Mod & Up)
Anaheim	88,003	44.6	43.0	57.0
Brea	12,003	30.2	32.7	67.3
Buena Park	22,749	36.9	37.8	62.2
Costa Mesa	36,909	46.8	38.8	61.3
Cypress	13,718	25.5	29.2	70.8
Fountain Valley	17,315	21.6	26.3	73.8
Fullerton	40,591	40.2	40.2	59.8
Garden Grove	45,113	40.2	40.2	59.8
Huntington Bch	68,395	34.7	36.1	63.9
Irvine	36,398	20.1	25.1	74.9
Laguna Beach	11,329	43.5	42.7	57.3
La Habra	17,911	41.7	41.3	58.7
La Palma	4,821	18.9	24.2	75.8
Los Alamitos	4,286	39.2	39.5	60.5
Mission Viejo	17,148	18.4	27.2	72.8
Newport Bch	31,415	32.3	34.3	65.7
Orange	36,197	39.4	39.6	60.4
Placentia	12,976	28.3	31.3	68.7
San Clemente	15,874	47.4	38.6	61.4
San Juan Cap.	8,611	34.7	36.1	63.9
Santa Ana	70,255	49.1	36.4	63.6
Seal Beach	13,985	56.0	37.3	62.6
Stanton	10,275	52.2	34.8	65.2
Tustin	18,194	45.5	42.1	57.9
Villa Park	1,867	7.1	15.4	84.6
Westminster	25,117	36.4	37.3	62.7
Yorba Linda	14,436	18.9	24.2	75.8
Unincorp. Area	123,246	31.6	33.8	66.3
Total County	801,989	37.6	34.6	65.4

LIHH = Percentage of Lower income households paying more than 30% of income for Shelter (overpaying)

%VL and L = Percentage of very low and low income with 25% impact avoidance adjustment and further adjustment for highly impacted localities. Percentage of total additional units needed for VL and L Households.

Source: SCAG RHNA, Revised, December 1988.

Chapter III

AVAILABILITY OF SUITABLE SITES AND FACILITIES

In accordance with Government Code Article 10.6, the Housing Element is to provide "an inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites".

A. VACANT LAND SURVEY:

The major constraint for the City in providing new housing, is the lack of vacant land available for any type of development. With the exception of the recently incorporated territory of Chevron U.S.A. oil production fields, the City is completely built out. Vacant or underutilized sites are dominantly small infill parcels with potential development dictated by existing surrounding uses more than the current or potential zoning designations. The total area of vacant land in the City represents a fraction (0.04) of the total acreage of the City.

Table 19

VACANT AND POTENTIAL SITES FOR RESIDENTIAL DEVELOPMENT

Site Location	Acreage	Highest Est. Potential # of units	Constraints
1. *La Habra/Walker	1.0	40***	Partly developed, R1A
2. *Idaho/Imperial	3.7	55	Topography, R-3-Multi.F
3. *N. Harbor	2.5	3	Topo., Approved 3 lots
4. *Idaho/RRT	7.0	161**	Zoned C-P, Hospital
5. *Lambert/Beach	3.5	49	Zoned M-1, part vacant (assumes Medium Density consistent with area)
6. Macy/Whittier	.2	5**	Zoned C-2 (Commercial)
7. Beach/Merced	1.0	23**	Zoned C-3 (Commercial)
8. SW Beach/Lambert	1.8	42**	Zoned C-2 (Commercial)
9. SE La Habra/Dexter	.5	11**	Zoned C-2 (Commercial)
Totals	21.2	389	

* Potential development within 5 year time frame Element

** Assumes zone change to highest density of 23 units/1 acre.

*** Potential site for Homeless, transition facility.

Source: La Habra Planning Department

Of this total potential of 21.2 vacant (or near vacant) acres, 3.5 acres are currently zoned for single family development (up to 7 units to the acre), 3.7 acres are zoned for medium density multiple family (8-14 units to the acre), which includes either ownership or rental units. None are designated for mobilehomes. Of all 9 vacant

sites listed, 5 sites (17.7 acres) may possibly be developed within the 5 year planning horizon of this Element, representing a maximum cumulative total of 308 units, (if all required land use changes are approved). Of the remaining 3 sites, all would require land use designation changes on both the General Plan and zoning to provide for housing. This option on the latter 3 sites is further constrained by location as each lot abuts commercial development (Table 19).

Overcoming all physical and economic constraints, if all of these 9 potential sites were ultimately developed or redeveloped for residential uses, the potential total units generated could yield 389 housing units. The 1988-94 regional housing allocation model indicates that 447 housing units are needed to meet the needs for low and very low income households. The development of these sites may assist in reaching a portion of this goal.

B. LA HABRA BOULEVARD SPECIFIC PLAN:

The City has undergone an extensive market and land use study of the City's downtown area, centrally located along La Habra Boulevard approximately between Beach and Harbor Boulevard. The study was to determine the existing and future potential for retail and residential development within this oldest section of the City. The result of the comprehensive study was the development and adoption of the La Habra Boulevard Specific Plan. The Plan focuses on economic revitalization with efforts to protect and expand those areas on La Habra Boulevard of "sound" condition and quality. Areas of isolated and deteriorated single family lots and obsolete small commercial storefronts, provide opportunities to be phased out for appropriate multiple family developments or new commercial centers.

A new General Plan land use designation was created and adopted and referred to as "Transitional Residential-Commercial". The transitional residential-commercial category allies where older residential uses are located in areas usually identified as substandard or nonconforming in terms of improvements and lot characteristics. The long-term goal in these areas is to remove obsolete existing low-density residential uses in order to develop opportunities for large lot (consolidation of existing nonconforming lots), commercial development, or as appropriate, medium to high density residential (predominantly rental developments because of location).

There are basically ten areas, collectively comprising approximately 14 acres within the La Habra Boulevard Specific Plan area that were re-designated for Transitional Commercial-Residential. These areas consist of several adjacent lots, and if ultimately developed for high density, would yield approximately 312 residential units (Table 20). However, the major constraint for development is that the majority of these areas consists of developed individual lots owned by different owners. Of the cumulative total of 14 acres, approximately only .861 acres are vacant representing six separate lots. However, major development cannot occur without the consolidation of lots within an area and not by infill development of vacant, small nonconforming lots. The Redevelopment Agency will be considering in the near future, potential development in this area on approximately .505 acres, (consolidation of 4 vacant individual lots) for redevelopment for housing of either 13 units for small families or 18 units for seniors.

Table 20

TRANSITIONAL SITES

Site Location	Est. Max Acreage	High Density	#of Lots	Major Site Constraint
1. SE Deanna/La Habra Blvd.	1.92	44	2	Developed
2. NE Willow/La Habra Blvd.	.956	22	7	Developed
3. NW Leora/La Habra Blvd.	.404	9	3	Developed
4. NW Walnut/La Habra Blvd.	1.180	27	9	Developed
5. SW McPherson/La Habra Blvd.	1.937	44	12	Developed
6. NE Cypress/La Habra Blvd.	.805	18	4	Developed
7. NE Lemon/La Habra Blvd.	2.86	66	10	Developed
8. NE McPherson/La Habra Blvd.	.895	20	6	Developed
9. NE College/La Habra Blvd.	.895	20	6	Developed
10. SW College/La Habra Blvd.	1.829	42	7	Developed
Totals	13.681	312	66	

Source: La Habra Planning Department.

The ultimate housing potential that all these sites will be developed as high density is unlikely, considering other environmental and market constraints which may direct commercial uses as more viable. Potential development or redevelopment of these sites will be long term based on attrition of current improvements.

C. SCHOOL SITES:

There are 15 schools sites located within the City. All the sites are currently in use for education purposes either as public or private facilities. During 1981, the City initiated rezoning of 12 of these school sites for best use considering the area of location in preparedness for potential closures due to the then, current trend of reduced number of households with children.

The underlying zoning of 10 of the 12 sites are designated for residential development (Table 21). Should the need for continued school in the City no longer exists, the potential for redevelopment for residential usage would be as indicated on table 21.

These school sites are alternative and potential sites for future housing. However, the social trend of children in households is slightly increasing as indicated by recent school district enrollment. Generally, annual school

Table 21

SCHOOL SITES

Location of Sites	Zoning	Potential Units
1. Macy School	R1B	15
2. Starbuck	R1C	54
3. Olita School	R1C	8
4. El Portal	R1C	37
5. Los Positas/and	R1C)	131
6. Imperial Jr. High	R1C)	-
7. El Cerrito	R1B	20
8. Walnut	R1C	35
9. Las Lomas	R1C	29
10. Washington	R1C	55
11. Arbolita	R1B	37
12. Sierra Vista	R1C	36
Total		516

* Not maximum density, but less land use potential.

Source: La Habra Planning Department.

enrollment is increasing an estimated 1.7% County wide. The La Habra Elementary school districts are estimated at 1.1-1.2 annual percent increase. If this trend continues, closure of school sites will not be a readily available option for future potential development for additional housing.

D. UNINCORPORATED AND INCORPORATED LAND:

There are basically five Orange County "islands" located within the jurisdictional boundaries of the City. All of these unincorporated islands are residentially developed, and thus incorporation would raise the existing housing stock total of the City, but will have no effect on the regional housing need assessment.

In 1988, the City annexed 15 acres of Chevron U.S.A. land which was approved and has been developed with 31 single family detached homes.

The City recently, in 1989, annexed approximately 370 acres of oil production land which was within the City's Sphere of Influence located at the southern boundary of the City's limits. The recently annexed territory is owned by Chevron U.S.A. and is currently part of their administration and production facilities. The site is currently utilized and developed for oil production and has a difficult topography consisting of dominantly steep slopes and canyons. In addition, the area is within suspected fault lines. The policy of the City is to allow the maintenance of oil production activities until such activities are no longer viable which ultimately may lead to opportunities for alternative land uses. For development, the area would require major infrastructure improvements. Besides extensive circulation, storm drain, and sewer systems improvements, requirements for an additional water reservoir and slope maintenance would be required to accommodate new development. The site therefore, is a potential area for future residential development, but because of the topography, such development would first have to undergo extensive environmental reviews and land use designation changes. A residential land use designation would probably be limited to a very low density such as, 3 units to the acre. With this type of residential designation, the site could produce an estimated 1,000 new housing units at a very low density within a 10 year period. with an extreme optimistic projection, assuming all entitlements were approved, there may be a possibility that within the Element's five year horizon, that 300 of these units may be constructed.

SCAG's Regional Housing Assessment indicates that the highest percentage of future housing needs in the City is that for high income, or 391 units representing 36 percent of the total future housing needs by income. The development of these recently annexed sites would assist the City in achieving those goals.

E. RECYCLING-REZONING FOR HOUSING POTENTIAL:

The City is currently undergoing a update of the General Plan which includes all the mandated elements. The Land Use Element is being amended to better reflect the conditions and policies of the community. The City's ability to accommodate its regional share of new construction depends upon the use of recycled sites - opportunities for recycling to higher densities and redesignating other land uses for housing. Upon review of the General Plan update, approximately 30 areas in the City, were considered for land use amendments for potential housing developments or unit increases. Table 22 provides information indicating this recycling potential. Based upon a parcel-by-parcel inventory, total acres, densities and potential housing units are provided.

Table 22

Rezoning and Recycling Potential Maximum Units

General Plan Amendments	Total Acres	Potential Max. Units	Conserved Units	Potential Increase
Low to Medium	3.2	93	17	76
Low to High	9.5	219	4	215
Medium to High	16.5	500	549	-49
Commercial to Med.	5.0	70	2	68
Commercial to High	7.7	266	251	15
Industrial to Med.	3.3	47	-	47
Industrial to High	13.4	310	234	76
Total	58.6	1,505	1,057	448

Medium Density Residential = 9 - 14 dwellings/acre.

High Density Residential = 15 - 23 dwellings/acre.

Source: La Habra Planning Dept. CDD.

Recycling could add a maximum of 448 units to the City's existing housing stock, and optimistically estimating that 70 percent are added under the best conditions during the five year planning horizon of the Housing Element, combined with new development of existing land, the City can meet its regional needs of new housing of 1,082 units with 1,106 new units. The General Plan rezoning process also conserves an existing 1,057 housing units that were previously nonconforming uses in contrary land use zones.

F. PUBLIC SERVICES AND FACILITIES:

All of the vacant and potential sites mentioned above for residential development have adequate public services and facilities. Should the Chevron oil production site be developed, needed utilities, facilities and services shall be extended, constructed and/or improved in conjunction with new development of the site.

Chapter IV

GOVERNMENT AND NONGOVERNMENT CONSTRAINTS

As a requirement of the Government Code, the Housing Element should address constraints which may impair the City from reaching its quantified housing goals. There are two types of constraints which must therefore be addressed.

One of these constraints is governmental, over which local government leaders have a measure of involvement and control. The second is non-governmental, which documents factors which contribute to the difficulties the City faces in meeting its housing needs for all income levels, but over which the City is limited or powerless to exercise control.

A. NONGOVERNMENT CONSTRAINTS:

1. Land Availability:

The major constraint for the City of La Habra to provide new housing is the lack of vacant land available for new residential construction. The City has an estimated total acreage of 4,672 of which 30 acres are vacant infill parcels. As of 1989, there is approximately .06 percent of vacant land in the City, excluding the Chevron oil fields of 370 acres. Of the 30 acres of infill vacant land, only 7.3 acres are designated for residential uses or approximately .15 percent of the total acreage in the City. This limited supply of land available for housing development within the City, coupled with the maturing housing stock, means that it is not physically possible to develop in any significant amounts, any type of housing.

2. Land Costs:

The cost of land throughout Orange County is extremely high. Since the demand for housing in Orange County is high (vacancy rate 4.7 percent, 1980), the value of potential residential land is increasing and has become a substantial factor in the cost of providing housing. Land costs can entail up to 30 and 50 percent of the cost of a home in Orange County.

The cost of the remaining vacant land in La Habra varies greatly upon its location, size, availability of public services and difficulty of development. In a report issued by the Orange County's General Services Agencies, (Table 23), using appraisal techniques involving 150 parcels sold in 1988, indicated a rapid increase in land prices. The report compared values in 1988 with 1989. La Habra was indicated as having a land value of \$220,000/acre in 1988 which increased 81.8% to \$400,000 in 1989. The County average in 1989 has a land value of \$488,000 per acre.

3. Construction Costs:

Direct construction costs are the costs of materials and labor. Consistently throughout the state, direct construction costs are the largest component of the total cost of a housing unit. Typically, these costs range from 45 to 60 percent, although in the County, there are areas where the percentage is significantly higher.

The size of a single family house constructed in Orange County has increased substantially during the past three years and is a major contributor to the rapid increase in the price of housing. Excluding the garage, the average new home constructed during 1987 was 2,004 square feet, a year later it was increased 15.3% to 2,311 square feet. By 1989, the average size had increased another 17.4% to 2,613 square feet, an increase of 30.4% in 2 years.

Table 23

**ESTIMATED COST PER ACRE OF UNDEVELOPED RELATIVELY FLAT LAND
NEAR STREETS AND UTILITIES SUITABLE FOR RESIDENTIAL DEVELOPMENT
ORANGE COUNTY COMMUNITIES**

City/Community	1988	1989	% Change
NEWPORT BEACH			
Costa Newport Beach	650,000	\$1,000,000	53.8%
North Newport Beach	550,000	1,000,000	81.8
IRVINE	270,000	900,000	233.3
LAGUNA BEACH	250,000	425,000	70.0
DANA POINT	400,000	450,000	112.5
COSTA MESA	400,000	800,000	100.0
ANAHEIM			
Central Anaheim	375,000	550,000	46.7
West Anaheim	280,000	400,000	42.9
Anaheim Industrial	210,000	375,000	78.6
Anaheim Hills	210,000	220,000	4.8
HUNTINGTON BEACH	300,000	525,000	75.0
WESTMINSTER	280,000	500,000	78.6
GARDEN GROVE	280,000	500,000	78.6
SANTA ANA	280,000	220,000	78.6
ORANGE	220,000	500,000	127.3
FOUNTAIN VALLEY	280,000	475,000	69.6
TUSTIN	220,000	475,000	115.9
SAN JUAN CAPISTRANO	250,000	425,000	70.0
SAN CLEMENTE	250,000	425,000	70.0
MISSION VIEJO	250,000	425,000	70.0
LA PALMA	280,000	400,000	42.9
BUENA PARK	280,000	400,000	42.9
STANTON	280,000	400,000	42.9
FULLERTON			
West Fullerton	280,000	400,000	42.9
Fullerton Hills	210,000	400,000	90.5
CYPRESS	280,000	400,000	42.9
LA HABRA	220,000	400,000	81.8
PLACENTIA	210,000	400,000	90.5
BREA	210,000	400,000	90.5
YORBA LINDA			
West	210,000	375,000	78.6
East	210,000	250,000	19.0
VILLA PARK	230,000	320,000	39.1
UNINCORPORATED			
Laguna Niquel	250,000	750,000	200.0
Tustin Hills	250,000	700,000	180.0
Rossmoor	280,000	475,000	69.6
Laguna Hills	250,000	425,000	70.0
Rancho Santa Margarita	250,000	425,000	70.0
El Toro	250,000	425,000	70.0
Aliso Viejo	250,000	425,000	70.0
Silverado Modjesko	45,000	60,000	33.3

Source: County GSA Report, September 1989

From a Census Bureau report, the following comparison of housing sizes and other construction amenities that add to the cost of housing is as follows:

	1984	1988
NEW HOUSE		
Median Size, Sq. Ft.	1,605	1,815
Two baths	28 %	42 %
Four bedrooms	26 %	18 %
Central air conditioning	71 %	75 %
One fire place	50 %	65 %
Two car garage	55 %	65 %
MULTIPLE FAMILY NEW UNITS		
Median Size, Sq. Ft.	871	935
Two baths	35 %	41 %
Two bedrooms	54 %	55 %
Three or more bedrooms	9 %	8 %

Concurrently, the size of the lot is decreasing. In some instances, 2-story home of 2,400 square feet (plus garage) are on lots of 3,500 square feet.

4. Financial Costs:

The availability of financing is an important component of housing costs. More familiar to potential buyers are the financing costs associated with home mortgages. Interest rates for home financing have an important effect on the affordability of housing. Mortgage rates have varied over 10 years, from 18 percent in 1981 to a low 10.6 percent in 1990. This pattern seems to indicate a decline in interest rates however, there is no assurance that this decline will continue.

According to the State Department of Housing and Urban Development, there is no indication that there are any mortgage deficient areas in the City due to "red lining". This is also evident by the availability and number of local lenders participating with loan programs of the Neighborhood Housing Services of La Habra assisting lower income areas of the City.

Mortgage rates become an important ingredient in determining the affordability for sale housing. As interest rates rise, the number of households increases that no longer can qualify for housing purchase.

Few places in Orange County or elsewhere in the south land are there areas with housing at \$150,000, a price that is often considered "affordable" in today's market. The California Association of Realtors estimates (October 1989), that an "affordable" \$150,000 home now requires approximately the following:

	20% Down Payment	10% Down Payment
Amount of Down Payment	\$30,000	\$15,000
Fixed Rate Mortgage		
Monthly Payment	\$ 1,270	\$ 1,407
Annual Income Required	\$50,897	\$47,658
Adjustable Rate Mortgage		
Initial Monthly Payment	\$ 1,078	\$ 1,191
Annual Income Required	\$43,130	\$47,658
Graduated Mortgage		
Initial Monthly Payment	\$ 1,203	\$ 1,330
Annual Income Required	\$48,139	\$53,294

(Monthly payments include interest, principal, taxes and insurance.)

According to Sales and Marketing Management Magazine's survey of median household income, Orange County was listed as the 8th highest in the nation at \$37,096, in 1988. However, no household at this median income level could afford an "affordable" home in Orange County. In 1980, La Habra's median income was slightly below the Orange County's median. In 1980, according to the U.S. Census, the median value of a home in the City was \$91,516 and the median value of a home in Orange County was \$108,138, an 18 percent difference.

In June 1988, only about 20% of the families in Orange County could afford to purchase the median priced home in the County which at the time was \$211,038 according to studies prepared by the California Association of Realtors. This percentage was decreased from 22 percent in May and 29 percent in June of 1987. For the average price home in June 1988, the monthly mortgage payment was estimated at \$1,639 with a minimum annual income of \$65,559.

According to the TRW Real Estate Market Information Service, published in The Register, February 1990, average home sales price in Orange County in 1988, according to zip codes, was \$211,000 and increased 10.4% the following year to \$233,333. For La Habra, in 1988, the average home sales price was \$143,000 which increased 21.6% the following year to \$174,000. The cost of housing in Orange County dramatically increases on a monthly basis, and this trend is expected to continue (Table 24).

For 38 new condominium projects in Orange County, with 6,028 planned units, of which 3,997 were sold during the first half of 1989, the average price was \$194,818, the median price was \$168,900 for an average sized unit of 1,247 square feet (a price of about \$156.23 per square foot).

Multiple family rental units on the other hand fluctuated on rental rates in Orange County. Average monthly rental rates are influenced by both history and location.

La Habra has historically had the lowest rental rates at \$50 to \$100 less than in other areas of the County (excluding the Beach areas). Mature communities, especially built out, obviously consist of older housing stock that tend to be smaller in size than the newer developments. Location is also a factor, such as the lack of freeways and local employment opportunities within La Habra. La Habra for these factors, provides the lowest averaged rental rates in Orange County (Table 25).

Table 24

AVERAGE HOME SALES PRICE BY CITY IN ORANGE COUNTY

City/Community	1988	1989	% Change
NEWPORT BEACH			
Newport Beach	\$385,000	\$548,500	42.4%
Corona Del Mar	435,000	523,000	20.2
VILLA PARK	501,000	620,000	23.7
LA HABRA	143,000	174,000	21.6
SANTA ANA	141,000	165,000	17.0
SAN JUAN CAPISTRANO	265,000	305,000	15.0
LAGUNA BEACH			
South Laguna	244,500	280,000	14.5
Laguna Beach	427,500	416,000	-2.6
TUSTIN	186,000	209,500	12.6
ORANGE	191,000	214,000	12.0
LAGUNA NIGUEL	246,000	273,000	10.9
ANAHEIM			
Anaheim Hills	238,000	264,000	10.9
Anaheim	181,000	179,000	-1.1
FOUNTAIN VALLEY	223,000	247,000	10.5
COSTA MESA	207,000	227,500	9.6
HUNTINGTON BEACH	220,000	240,000	9.1
SAN CLEMENTE	255,000	276,000	8.2
BUENA PARK	170,000	183,500	7.9
YORBA LINDA	221,000	238,000	7.6
MISSION VIEJO	208,000	223,000	7.2
LOS ALAMITOS	331,500	347,500	4.8
GARDEN GROVE	163,000	170,000	4.3
STANTON	132,000	137,500	4.1
IRVINE	221,500	229,000	3.4
PLACENTIA	210,500	217,500	3.3
LA PALMA	274,000	280,000	2.2
FULLERTON	172,000	175,000	1.4
CYPRESS	186,000	187,000	0.5
SEAL BEACH	335,000	335,000	0.0
DANA POINT			
Capistrano Beach	230,000	230,000	0.0
Dana Point	269,000	256,000	-5.0
WESTMINSTER	196,500	195,000	-0.7
BREA	227,000	215,000	-5.3
UNINCORPORATED AREAS			
El Toro	151,000	210,000	39.0
Sunset Beach	330,000	380,000	15.1
Aliso Viejo	214,000	242,000	13.0
Laguna Hills	234,000	250,000	6.8
Rancho Santa Marga	189,000	142,000	-24.8
Trabuco Canyon	264,000	193,250	-26.8
ALL ORANGE COUNTY	211,000	233,000	10.4

Source: Orange County Register, February 16, 1990; Dataquick
Information System

The estimated occupancy rates and weighted monthly rental rates in Orange County, according to Research Network Ltd, Laguna Hills, are:

	Average Monthly Rent	Percent of Apts. Occupied
1989 (projected)	\$751	96.3%
1988	725	96.3%
1987	750	97.8%
1986	698	97.7%
1985	702	99.0%

Apartment construction in Orange County increased 15 percent in 1988 over 1987 with 6,700 units, about the same number as in 1986. La Habra in a four year period between 1984 and 1988 increased the apartment housing stock with new units at only a annual 1.4 percent rate. In 1980, the median rental rate in La Habra was \$304 and increased in 1989 to \$582.

The major constraint in Orange County is the demand for housing outstripping supply. With the City nearly at 100 percent developed, there are precious few small infill parcels that can be developed for housing that would significantly add to the supply, under current standards. The one exception is of future potential development of the current oil production land of approximately 370 acres.

Table 25

APARTMENT RENTS ORANGE COUNTY CITIES

January 1990

City	Average Rent	Average Occupancy	Existing Units	% Real Change	% Change Occupancy
				Av. Rent	Rate
Seal Beach	\$1,214	100.0%	1,983	-1.5	6.3
Newport Beach	1,025	97.2	7,493	-1.2	0.4
Laguna Beach	950	99.8	2,371	-5.5	1.7
Irvine	915	98.2	6,347	-1.6	2.8
Laguna Niquel	891	88.5	N/A	3.8	-5.6
Yorba Linda	874	99.4	705	-4.8	10.4
Dana Point	872	97.7	N/A	-1.6	0.2
San Juan Cap.	841	98.5	945	-1.4	1.1
Costa Mesa	824	96.3	13,731	-0.3	-1.0
Huntington Bch.	793	97.1	16,198	-2.9	0.7
Placentia	776	97.6	3,462	-3.4	0.4
Mission Viejo	771	96.7	1,574	-2.5	2.5
Fountain Valley	768	97.7	1,671	-1.3	0.6
San Clemente	761	98.5	3,837	-4.2	3.5
La Palma	744	97.8	751	-3.6	2.0
Orange	730	97.6	7,267	-0.7	0.1
Santa Ana	729	96.0	19,280	-6.1	0.9
Garden Grove	727	97.0	9,714	-2.3	-0.4
Cypress	715	97.7	1,800	-2.3	-0.2
Westminster	714	94.5	4,518	-3.2	1.0
Brea	709	98.4	2,225	-0.9	-0.4
Stanton	703	97.0	2,918	0.3	-0.1
Anaheim	689	96.0	29,676	-2.4	0.7
Tustin	685	97.7	6,240	-2.2	-2.0
Buena Park	685	95.5	5,659	-2.4	-1.6
Fullerton	669	98.0	11,240	-3.2	0.5
Los Alamitos	657	96.6	1,326	2.0	1.6
La Habra	622	96.5	4,370	-1.1	-0.4
Unincorporated Areas:					
El Toro	764	96.9	N/A	-6.3	-1.2
Laguna Hills	842	97.9	N/A	-5.1	2.4
Rancho Santa Margarita	776	95.1	N/A	-2.6	-1.9

Source: The Research Network, Published in Orange County Register, February 1, 1990.

Table 26

SUMMARY OF ZONING REGULATIONS

City of La Habra

		ZONE	HEIGHT		REQUIRED SETBACKS in Ft.			AREA REQUIREMENTS - In Square Feet				PARKING																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																									
			Stories	Feet	Front	Side	Back	Lot Size	Usable Yard	Max Coverage	Min Floor Area																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																										
RESIDENTIAL	Single Family	R1a	2½	35	25	5	10'	25	10,000	1,000	None	1,500	2 SPACES PER D.U. GARAGED																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																								
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	Multi - Family	R2	2½	35	20	21	0 - 40 41-100 101-200 201- +	5 5 8 10	5 8 15 20	3000	1,000 PER Parcel And 250 per D.U. With 96 sq. Private Spots.	35 % 40 % ⁵ 38 % 40	UNIT TYPE SINGLE FAMILY BACH BED RM UNIT TYPE SINGLE FAMILY BACH BED RM PLUS 150 FOR EACH ADDITIONAL BED RM PLUS 1/2 SPACE FOR EACH ADDITIONAL BED RM 1/2 PER D.U. FOR GUESTS																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																								
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1 Along street side of corner lots.

2 Shall be increased by 1 ft. in width for each story over 2.

3 May be increased to 10 stories or 135 ft. provided that all setbacks are increased by 1 ft. for each 3 ft. in height.

4 May be increased to 6 stories or 75 ft. provided that all setbacks are increased by 1 ft. for each 3 ft. in height.

5 On lots under 7,200 square feet.

6 For residential uses only.

7 May be reduced to 5% if 90% of all parking spaces are behind the building.

Note: All information general. For specific details check with planning department.
Prepared by City Planning Department

Date 4/2/85

B. GOVERNMENT CONSTRAINTS:

1. Land Use Controls

The City regulates the use of land within the City limits through the General Plan, Zoning Ordinance, Subdivision Ordinance and Building Code. The General Plan guides all future development by providing overall densities and development policies for all areas of the community. Zoning has been used as a site specific tool to derive the density and intensity of proposed land uses.

The City's land use controls, particularly the General Plan Land Use Element and Zoning Code, serve to respond positively to the State policy of having adequate sites which can collectively accommodate a range of housing (type, size and price) responsive to the needs of all economic segments of the community. The Land Use Element currently provides for six categories of residential densities as follows:

Low, Low, RR	0-3 units/acre-	(S.F. detached, modular,
Low, R1a-c,	4-8 units/acre	conventional, patio.)
Medium, R-2	9-14 units/acre-	(apartments, condominiums,
High, R-3, R-4	15-23 units/acre	townhomes, cluster S.F.,
Transitional, R-3/4	9-23 units/acre	patio-zero lot, duplex.)
Mobilehome Pk., MHP	10-13 units/acre-	(mobile, modular, manufact.)

With regards to zoning, the City has 11 different residential land use zones. The housing types permitted, minimum lot area requirements and minimum floor area requirements of each zone are depicted in Table 25. That Table amply demonstrates the existence of land use controls which can accommodate a range of housing needs.

In addition, the City, in 1983 made code provisions for the development of elderly units or "granny flats", small second units in single family zoned properties that do not exceed 640 square feet approved through the Conditional Use Permit process.

Also, land designated for multiple family usage (R-2 to R-4) identifies sites for either condominium, apartments, group dwellings, cluster housing or single family dwelling developments, thus providing for all types of multiple family housing. Additionally, the City has set precedence on senior housing, allowing densities to fit the development, thus not placing any specific cap on the number of units. Through the Conditional Use Permit process, other housing types such as emergency shelters, or transitional housing at specific sites can be approved for development.

The City in 1981, also made provisions in the zoning code, the allowance for placement of modular/manufactured homes in all residential zones. The City also amended the Zoning Map providing for a land use designation specifically for five existing mobilehome parks within the City.

2. Building Code and Enforcement:

With respect to dwelling construction standards, the City has adopted and enforced the Uniform Building Code, 1985 edition. The code is generally enforced throughout the State and, therefore, the City imposes no standards or requirements which are substantially different from or greater than those mandated in other communities throughout the State.

3. Permit Process and Fees:

Undue delays in processing project applications increases a developer's costs, thereby being a constraint on development. A discretionary project proposed in the City is typically involved in some combination of the following review processes: environmental review, conditional use permits/variances, subdivision maps, site reviews based on zones, rezonings and general plan amendments. The City has historically, effectively instituted various methods to fast track all projects to alleviate this time constraint. Many permits are processed concurrently at the discretion of the applicant. Other methods utilized by the City are, preliminary review of proposals without charge to the applicant/developer; procedural application for clarity; pre-hearing development meeting with applicant and all pertinent city departments; early involvement of developer with staff to identify potential issues; and combined processing of applications.

Once a development application is officially accepted, the City processes discretionary permits in far less time than those established by state law for processing periods. In fact, the City's processing periods are far less than those of the County and (for additional comparison), the neighboring City of Brea (Table 27).

The above policy time periods do not include appeals or statute of limitations. Costs associated with the permit process may act as a constraint to the development of housing. State law also requires that processing charges, "shall not exceed the estimated reasonable cost of providing the service for which the fee is charged." The City assesses fees according to the minimum direct costs for processing, which includes time and materials. The fees do not include any type of administrative overhead or other "hidden" costs of a proposed development project. The Orange County Building Industry Association conducts periodic surveys of development fees charged by cities. The City of La Habra consistently ranks with cities with the lowest development fee charges for processing a comparative development housing project (Table 28). In addition, before any development permit is granted, each project undergoes an individual environmental assessment as required by the State California Environmental Quality Act of 1970, to assess project impact and to establish whether public service and facility systems are adequate to accommodate any increased demand generated by a proposed project. As the City is urbanized, all major infrastructure is already provided, i.e. streets and other public improvements. Information provided by the service and utility companies serving the City, also indicate that the present infrastructure is generally sufficient to accommodate planned levels of growth. Thus, the capacity of service and facility infrastructure is not considered to be an obstacle to the development, maintenance and improvement of housing in the City.

Table 27

COMPARATIVE DEVELOPMENT PROCESSING TIME LIMITS				
Approximate Working Days				
PROCESS	LA HABRA	BREA	COUNTY	STATE
General Plan	32	120	no limit	no limit
Amendments				
Zone Change	32	120	no limit	no limit
Subdivision Map	16	40	50	50
Site Plan Review	16-32	60	no limit	no limit
Variances	16	60	240 (1 yr.)	240 (1 yr.)
Conditional Use	16	80	240 (1 yr.)	240 (1 yr.)
Permits				
E.I.R.	72	80	240 (1 yr.)	240 (1 yr.)
Building Permits	10	80	no limit	no limit

Source: Planning Departments of Brea, Orange County, La Habra

Table 28

**ESTIMATED LAND DEVELOPMENT FEE
ORANGE COUNTY CITIES**

1989-90

Based on a Hypothetical Project, of 50 Single Family Homes
Fee in dollars

CITY	ENVIR.	PLAN.	BLDG.	ENG.	CAPITAL	SCHOOL	OTHER	PER UNIT
Anaheim	28	95	1,261	627	8,238	2,295	24	*12,568
Brea	54	360	941	100	3,773	2,295	160	*7,683
Buena Park	12	49	1,306	208	1,580	4,590	34	7,779
Costa Mesa	1	60	1,236	145	11,360	2,250	--	15,052
Cypress	25	27	1,408	333	5,352	2,340	30	*9,515
Dana Point	80	3,833	872	3,208	3,274	2,340	404	*14,011
Fountain Valley	22	23	1,180	48	4,775	2,250	1,769	10,067
Fullerton	27	80	955	18	1,898	2,340	0	*5,318
Garden Grove	43	68	1,063	162	1,941	2,250	1,056	*6,583
Huntington Beach	32	102	1,198	1,675	6,650	2,250	318	12,225
Irvine	56	92	707	132	3,852	2,250	1,103	*8,192
La Habra	3	38	1,467	67	1,913	2,250	300	6,038
La Palma	12	39	1,570	435	4,621	2,250	--	*8,927
Laguna Beach	18	378	848	478	3,729	2,340	222	*8,013
Los Alamitos	1	15	532	389	3,475	2,250	6	*6,668
Mission Viejo	410	3,262	741	528	1,417	2,295	4,300	*12,953
Newport Beach	300	189	772	707	11,612	2,250	1,757	17,587
Orange	44	87	830	60	4,102	2,340	45	*7,508
Placentia	40	57	200	113	2,287	2,250	23	*4,970
San Clemente	73	152	1,249	294	13,976	2,340	1,266	*19,350
San Juan Capistrano	45	540	1,438	1,129	10,279	2,295	1,595	17,321
Santa Ana	23	135	790	218	3,417	2,340	333	*7,256
Seal Beach	41	37	1,375	100	3,075	2,340	300	7,268
Stanton	4	45	1,217	1,500	2,550	2,250	24	*7,590
Tustin	39	104	719	564	3,180	2,250	3	*6,859
Villa Park	110	33	1,208	73	120	2,250	7	*3,801
Westminster	16	83	0	1,395	2,596	2,250	0	*6,340
Yorba Linda	9	18	674	577	5,500	2,250	25	*9,053
Orange County	100	96	1,063	454	7,936	2,340	50	*12,039

*Not Total, incomplete as all specified fees were not available.

Source: Extrapolated by La Habra Planning department, based on the Building Industry Association of Southern California Orange County Region, Land Development Fee Survey for Orange County 1989-

The major constraint for the City is the practical difficulty of providing the entire housing production needs with the new housing when the City is built-out. There is insufficient vacant residential land to address all of the economic housing needs and some vacant nonresidential land must be reserved to achieve a balance of land uses to 90.

meets community needs, provide employment, and sustain an adequate fiscal situation. Meeting the given production needs would require a reliance on the development of Chevron oil production fields, however, the City (local government) has no control over initiating private development on the site.

The analysis above clearly demonstrates that the City's controls do not serve to constrain development, but rather are designed to alleviate some of the common constraints associated with government processing.

4. Regional Constraints:

The Southern California Association of Governments (SCAG), in conjunction with the South Coast Air Quality Management District (SCAQMD), have in their respective plans, (Regional Mobility Plan and Air Quality Management Plan) the goal to balance regions, by accepting that "balanced" is when the ratio of jobs to housing units lies within the range of 1.22, whereby there are 1.22 jobs for each household. This balance is to occur in the Southern California region, by shifting 12 percent of the region's job growth to "housing rich/job poor" areas such as the Inland Empire, and 6 percent of the region's housing development to "housing poor/job rich" areas such as Orange County. The job housing balance is one to one correlation between jobs and housing units. This correlation, however does not address affordability, location, number of workers per households and other factors.

With today's demographics of two wage-earners households, the SCAG's ratio appears to be arbitrary and inappropriate. With two working people living together, potentially fewer nearby houses are needed to accommodate a local workforce, especially when one of the persons is a secondary wage earner, (stereotypically, a married woman entering the labor force). Nationwide, the percent of household with two or more wage earners rose from 42.7 percent in 1960 to 68.5 percent in 1984, confirming the on-going feminization of the nation's workforce. This artificial constriction of growth also causes increasing costs to housing.

Policies, such as lowering densities, which reduces housing growth in the Inland Empire (presently the most affordable area in Southern California) will tend to accelerate the increase of the price levels of existing and certainty of new housing. In Orange County, where housing is expected to be encouraged, builders will tend to build bigger, move-up homes which yield larger profits margins taking advantage of the desirability of homes and avoiding high density growth controversies in the communities. The result is simply, higher cost housing, unaffordable to lower and middle income workers.

Chapter V

ENERGY CONSERVATION

Affordable energy is an essential component to housing that is affordable. Energy costs to the consumer have increased dramatically to more than over 100 percent since the 1970s. Houses constructed after 1975 use about half as much energy as homes built before then because of California energy conservation standards. More recent standards and amendments are even more strict to support state building energy efficient methods and for energy conservation. For new housing, State conservation standards, implemented as part of the Uniform Building Code, substantially reduce the cost of energy for homeowners. New housing must meet or exceed certain minimum conservation levels. Though La Habra is dominantly developed, there is opportunity for energy savings in existing housing. Most residential structures can be retrofitted with conservation measures that provide nearly the energy savings achieved in recent new constructions. Many can also be retrofitted with passive design measures, such as the addition of a solar unit, south-facing windows in conjunction with heat storage mass.

The City requires a site plan review of all multiple family developments and subdivisions. Through this review process, the City promotes energy conservation methods of design and orientation of the housing units. It is a specific goal of the City that all development of a public or private nature be conscious of the need to conserve energy in the various forms through the use of good site planning techniques.

Energy conservation can also be promoted by locating residential developments in proximity to schools, employment centers, public transit and services. The City's Land Use Component of the General Plan and this Housing Element, makes concerted efforts to distribute residential areas that are accessible to these various amenities and services that would reduce vehicle travel. Because the City has strived for a balanced community, most services and amenities are located within a quarter mile of residential areas.

Energy conservation is also a goal expressed in the City's General Plan specifically in the Conservation, Housing, Circulation, Land Use components and will be included in the Transportation/Growth Management and Air Quality Components.

Chapter VI

GENERAL PLAN CONSISTENCY

The La Habra General Plan consists of the seven mandatory elements and an optional Economic Development Element. The City Council is currently considering a comprehensive General Plan update. The Housing Element must achieve internal consistency with all components of the General Plan including the adopted Specific Plan for La Habra Boulevard.

The goals and policies established in this Housing Element update are consistent with the goals, policies, analyses, and data utilized in all other components. Specifically, the Economic Development, Land Use, and Specific Plan, all are coordinated to be of equal intensities and achieving the same overall community goals.

The policies and goals of these elements are consistent with density and distribution of residential uses in the City as specifically defined in the Land Use Element. The Economic Development Element promotes maintenance and enhancement of the City's housing stock through rehabilitation, reconstruction and new construction, as does the La Habra Boulevard Specific Plan.

The City Council, will consider additional optional elements in the near future. These elements will consist of Transportation/ Growth Management and an Air Quality Management components that would coordinate common regional goals and policies. Though at this time, these elements are optional, it is expected that eventually the development and implementation of a transportation/growth management plan and air quality plan will be mandated by the State to assure regional compatibility and consistency so that regional objectives may collectively be achieved through various programs of cities and subregions. The key to these additional components will be the internal consistency of the job/housing balance policies already expressed in the Housing Element.

Chapter VII

REVIEW OF EXISTING HOUSING PROGRAMS

As required by State Housing Guidelines, this section evaluates the achievements of City housing programs which were adopted as part of the 1981 Housing Element. There were many factors which affected the degree of success of a program. The programs discussed below were evaluated in light of what the City has done to implement the program, or what other agencies or groups have done to implement the program. Other factors affecting program success included the effects of the economy in general, and the decreasing availability of state and federal funding for new or below market rate housing.

The primary housing programs previously approved are in three categories;

- A. Improvement to the Existing Housing Stock
- B. Meeting Financial Assistance Needs
- C. Housing Production Requirements

A. IMPROVEMENT TO THE EXISTING HOUSING STOCK.

This category involves financial assistance to either rehabilitate or improve housing units. The 1980 Housing Element identifies 2,670 dwelling units to be in need of rehabilitation. It was further indicated that the implementation of the five year program would rehabilitate and improve an estimated 256 housing units.

Four strategies for meeting rehabilitation needs and mitigating the cost impacts of rehabilitation constraints included in La Habra's five year program for improvement of the existing stock and the evaluation of the programs are as follows:

1. Enactment and/or ongoing enforcement of guidelines and ordinances which facilitate and promote housing conservation.

As a municipal corporation, the City of La Habra is responsible for the enactment and enforcement of various guidelines and ordinances dealing with housing. The governing ordinances and requirements involve the Land Use Element of the General Plan, Zoning Code and the Housing Code. Implementation of these ordinances for preservation and conservation of the existing housing stock is an ongoing process. There is currently a high degree of consistency between actual residential land uses and the guidelines of these documents. This means that the General Plan, Zoning, and Housing Codes serve to preserve and protect the residential environment. Though these ordinances are relatively consistent, there have been some direct action to enhance this consistency.

A large portion of an established residential area was redesignated in the General Plan for single family usage to maintain and conserve the character of the neighborhood. This involved approximately 130 single family homes.

The zoning code was amended to relax restrictions on nonconforming residential units, in allowance of being maintained or rehabilitated through a City sponsored financial program. Approximately 50 nonconforming housing units were exempted from the restrictions with this amendment.

Through the building permit process, since 1980, through 1984, a total of 2,275 housing units have been issued City permits for remodeling, improvement or rehabilitation. A total of 5,127 building permits have been issued for the same between 1980 through 1988.

2. and 3. Grants to Improve Existing Housing and Below Market Rate Rehabilitation Financing.

The City initiated and continues to actively support the Neighborhood Housing Services, Inc. (NHS), a not-for-profit corporation consisting of the three part partnership of financial institutions, the community being served, and the City. NHS's responsibilities include making loans to homeowners who are non-bankable (high risk rehabilitation loans) at rates and terms that are affordable to the borrower, for purposes of conserving and rehabilitation of their respective homes. To date, NHS has made 185 loans totaling \$2,672,827 in the aggregate from its loan funds (provided by the City) plus 31 loans involving \$222,540 for Senior Citizen home rehabilitation (City provided funds) and 26 loans of \$245,633 in a leveraged program provided by the City.

Since 1980, there have been 24 loans from Mercury Saving program for senior citizens amounting to \$181,415, 13 First Interstate community reinvestment program loans totalling \$144,099 and 128 NHS loans comprising of 85 NHS/HCD loans totaling \$1,320,815, 17 loans from the NHS Revolving Loan Fund for \$1,166,912 and 26 from NHS mini grant programs for \$26,000. These home improvement/ rehabilitation grant programs will continue to be on going. The NHS mini grant program, however has been completed.

The City also facilitates and promotes the revitalization of urbanized County Islands. La Habra has a strong policy of delivering municipal level services to "islands" neighborhoods. For this reason the City has actively encouraged the housing rehabilitation of nearby unincorporated neighborhoods. The unincorporated "island" rehabilitation loan program operates from an initial \$86,000 from the County's CDBG funding administered by NHS. Thus far, three loans have been issued for a total loan amount of \$57,500. This fund has been incorporated with the HCD/RLF fund for the next 5 years housing program.

4. Deferred Loans.

At the time of the 1981 Housing Element planning program, no additional deferred-payment rehabilitation loan programs were available. However, the City and NHS will continue to study further the State's Deferred Payment Rehabilitation Loan Programs as funds do become available through the next 5 year housing program.

B. MEETING FINANCIAL ASSISTANCE.

La Habra's 1980 five year program incorporated four basic strategies for addressing financial assistance needs and mitigating the impacts of market and government constraints. It was projected that approximately 640 to 780 housing needs of prospective owner households and 365 lower income rental households would be satisfied through the combination of the following programs.

1. Existing Housing for Homeowners.

Sale by the Redevelopment Agency of a unique residential mortgage revenue bond issue, including moderate income limits for borrowers and requirements for home purchased to meet certain required standards, with loans offered on a City wide basis. The City issued \$32,600,000 in 1980 Mortgage Revenue Bonds to provide for 11.4 percent, 30 year fixed rate financing for purchase of homes in La Habra. The program, provided loans that were up to 95 percent loan to value. These loans were made to 424 households, (many of which were young married and first time buyers), to purchase homes at an affordable rate that would have otherwise been impossible at a time when conventional interest rates were 17 to 18 percent and the Prime Rate had reached 21.5 percent.

Between 1980 and 1985, two developments have been approved for conversion from apartments to condominiums. A total of 162 units created additional homeownership opportunities from utilization of the City's existing housing stock. The City has adopted a condominium conversion ordinance process which is designed to enhance the ability of moderate income households to achieve their aspirations for homeownership. The units at the time of conversion were estimated to be in the mid \$50,000 to \$60,000 at 12 percent interest. The price range was affordable for moderate income, first time homeowner families. The Planning Commission and City Council has set forth policy precedence in conversion of residential units to homeownership, to condition the project to provide for more affordability of the units for existing rental tenants by requiring a discount of the sale price in relation to the length of time the tenant has resided in the unit. In addition, senior citizens and handicapped rental residents are given added protection with allowance to additional relocation time and reduction of rent to Orange County Housing Authority rates. The City Council further specified that from these two projects that 10 percent of the total units be set aside as "affordable" rental units only. This policy resulted in the reservation of 16 apartment units to be set aside for rental housing. The contingencies on these 16 units, (10% of the total), was that the units were to be first, offered to seniors citizens with income at or below 120 percent of the Orange County Median, second to families at or below the 120 percent of the Orange County Median, and third, to a family at or below the median family income of the City of La Habra with rental assistance from the Orange County Housing Authority and the City.

Over the past ten years, a number of Savings and Loan Associations and one bank have provided below market first trust deed financing for low-moderate income families to purchase homes in the NHS target area. NHS then supplements the purchase financing with a second loan in an amount for a term to make the total resulting payments affordable. The Associations which have participated include:

Pomona First Federal Savings	5 loans
Founders National Bank	4 loans
Quaker City Federal Savings	3 loans
California Federal Savings	1 loan
Fullerton Savings	1 loan

2. Existing Housing for Renter Households.

Prior to the advent of the Housing and Community Development Act of 1974, the City's first major effort to address unmet housing needs was joining the Orange County Housing Authority, (OCHA). In 1974, La Habra was one of the first cities to, in effect, create a regional approach to the solution of housing problems. The Orange County Housing Authority now operates in 25 cities plus the County's unincorporated areas. The Orange County Housing Authority is a local public agency authorized by State law to provide housing for "persons or families who lack the amount of income necessary to enable them to live in decent, safe and sanitary dwellings". OCHA operates the Section 8 Housing Certificate rental assistance program which provides a subsidy to eligible very-low-income residents (less than 50% of the County median income). The program is fully funded by the U.S. Department of Housing and Urban Development (HUD). OCHA currently provides this assistance to 243 low income households in the City. Altogether there are 132 senior and 111 family households who are being aided. In the City 54.3 percent assisted units are occupied by seniors, this compares to 35.1 percent of the total authority jurisdiction (25 cities).

The Certificate program however, operates under agreement between HUD and OCHA and called for an Annual Contributions Contract which will expire on July of 1992.

3. New Housing for Homeowners.

The program to be implemented for this strategy to offer financial assistance to prospective homeowners in newly constructed housing, was the "partnership" program. The "partnership" for new construction of homes is a program that has been implemented by the City in 1979, which involves the cooperative partnership of the City, a financial institution and the developer to acquire graduated-payment permanent financing; restrictions on developer profits; and establishment of income eligibility requirements. As a result, of this program, 33 newly constructed detached single family homes were made available at affordable financing. Additionally, because of the negotiated profit restrictions placed on the program, rebates were given to the homeowners. It was the City objective to duplicate this program during the 1980/85 housing plan, however, there were no developers interested in this program.

4. New Housing for Renter Households.

Section 8 New Construction is one component of the City's strategy for meeting the financial assistance needs of renter households in new housing. Like its counterpart in the existing stock, the new construction component offers monthly housing assistance payments so that lower income tenants pay no more than 25.0 percent of their income for housing. Under the auspices of that program, a 56 unit senior citizen apartment complex was completed in 1977. The City had an objective for the development of an additional 50 new rental units to be built under the provision of the Section 8 New Construction program. Unfortunately during this period, no appropriate site was available for implementation of this program during the Housing Elements 5 year period.

C. HOUSING PRODUCTION NEEDS:

The 1980 Housing Element projected the need for new housing units in 1985 was 1,105 units. The program to facilitate the production of needed housing encompasses four strategies. Three of these involve the judicious and efficient use of the scarce resource of land; the other strategy focuses on ways to reduce the costs of new housing. These four strategies are briefly summarized below:

Expand the quantity of housing, which may be built on already developed land.

Implement the planned development of vacant, residentially designated land.

Evaluate ways of expanding the quantity of housing which may be built on vacant land.

Formulate ways of reducing the cost of newly produced housing.

Nearly 75 percent of this projected production was expected to be satisfied through the cumulative effect of the first three planned actions, (pending additions to the stock, development of vacant residential land and recycling on developed land). The shortfall of the 25 percent housing units were to be satisfied through one or more of the methods such as density bonuses, and site and inventory evaluation.

Since 1980 to 1989, a total of 1,033 authorized building permits were issued, and 1,716 units were constructed accounting for previously approved units. From the period of 1980 to 1985, 1,097 units were added to the City's existing stock by the various means described above, fulfilling the objectives of the 1980 Housing Element projections in term of total units. This total of new housing units, includes the approval and construction of 5 second units, 7 elderly or "granny" units and 18 modular/manufactured units as a result of zoning code changes which made provisions for these types of housing in all residential zoned sites as included in the housing program.

As provided in the 1980 Housing Element, five sites were surveyed as being vacant potential residential sites. Of the five, four have been developed residentially between 1980 and 1989, totally 192 additional housing units.

During the period of 1980 to 1989, the City Planning Commission and City Council adopted a policy of density bonuses in regards to senior citizen housing developments. 234 senior housing units were constructed during this period with densities well above those of the highest residential zoning designation. These developments were approved under the senior "hotel" concept, which allowed densities similar to those normally associated with commercial hotels, similar to the Single Room Occupancy, (SRO) unit concept. Each facility provides a common eating area and is restricted to senior citizens. The City approved the subject facilities and approved parking reductions to approximately one half of what the commercial or residential standards for hotels/multiple family developments.

The City also approved a 61 unit condominium complex specifically designated for residents 55 years of age or older. The City approved this newly constructed facility with a density allowance and a reduction in the amount of required parking spaces.

The latter program of implementing and formulating ways of reducing the cost of newly produced housing, was to be satisfied with programs already mentioned and evaluated with previous programs.

Additionally, NHS revolving loan fund also administers a new construction program. This program was established to provide assistance for the construction of new homes for moderate income families. Through the efforts of NHS, \$637,500 were issued for this purpose creating a total of 7 new single family dwellings to be constructed.

D. EVALUATION OF EXISTING HOUSING ELEMENT

Programs listed in the 1980 Housing Element not specifically indicated in this evaluation were secondary and projected to be studied. Those studies have been completed, and no action is being proposed due to unavailability of funds, no builder or developer interest or infeasibility. An example of infeasibility, is that some State and Federal program rules and regulations also hamper the City's ability to respond to rehabilitation needs, as not all of the housing needing rehabilitation is occupied by lower-income households. Indeed, some of the housing in that condition is lived in by families in the moderate-income bracket. But some programs are mandated to restrict eligibility by State and Federal laws only to those families in the lower income category.

The major constraints in implementing additional housing programs for affordable housing is beyond City and State abilities to overcome. The constraints are on a national and even international level. They deal with the federal administration of budgetary commitments and the economic state of the nation and its financial institutions. National financial market and the national housing market are closely related. As almost all residential construction and sales are financed through loans, housing is crucially dependent upon credit availability and cost. The difficulties in implementing some of the housing programs are based on these national constraints of limited availability of funds to financially assist the maintenance, construction and improvement of housing, and the cost and limited profit constraints which discourage private developers to produce the necessary types of affordable housing.

With the existing land scarcity, these constraints may have been overwhelming, however, the City is pleased with the progress and implementation of the previous Housing Element. Emphasis was placed on rehabilitation of existing units as opposed to new units for obvious reasons. The difficulties of obtaining state and federal fundings hampered some program objectives, however, these attempts will be duplicated in this proposed Housing Element update. Also the City in the 1981 Housing Element, felt a commitment to the increasing number of the elderly, and during this past decade the City has provided a variety of housing types specifically for the elderly household. The City certainly is pleased with the success achieved in accomplishing housing objectives.

This updated Housing Element will move forward to new housing challenges with the changing social/economics trends. The homeless, small families and the social/economic characteristics of the City's residents will be an added priority in the new Housing programs.

Chapter VIII

GOALS AND POLICY OBJECTIVES

In accordance with the Housing Element Guidelines, this section presents a statement of goals, policies and priorities. The statement is intended to convey to the community at large La Habra's general plan for a balanced community by providing a variety of types of housing for all economic segments of the community. In addition, the goals, policies and priorities also serve as a framework or foundation for the evolution, initiation and implementation of specific programs and actions to improve the existing housing stock, produce new housing, provide financial assistance and to mitigate the adverse impacts of economic and market constraints.

The task is enormously restrictive, considering that with the exception of the Chevron Oil production fields, the City is substantially built out. Obviously, the housing needs of the community cannot be completely satisfied by additional new housing as this process will be long term entailing the recycling of older housing units. The process is also complicated by the fact, that the majority of housing in the City is maintained in good standard condition. The City has approached housing need through financial assistance and encouragement or negotiations with developers. However, as the land availability becomes more scarce, these continued programs become more difficult, thus, the City has taken a unique approach for assisting housing, and that is by improving the social status of residents by providing needed services that allow for the opportunity to increase household income. In order for householders to afford housing, jobs have to be created, training should be provided to allow residents to maintain employment which provides for adequate financial support for housing. Also, for energy and cost reduction, employment and training should be provided in proximity to the residential areas.

The City administers the Federal Jobs Training Partnership Act (JTPA) for the Northwest Group (an area comprising of the Cities of Yorba Linda, Brea Fullerton, Placentia, Buena Park, Stanton La Palma, Los Alamitos, Cypress and La Habra) and is a signatory agency to the joint powers authority for the entire Orange County Service Delivery Area (except Santa Ana and Anaheim).

In addition, the City has initiated the first child care development programs in the State and is the second City in the State to operate a Headstart program. Single head of households, especially female head of households are rapidly increasing, yet these single head of households must work in order to financially support housing. The City thus, has provided the affordable opportunity for day care and training, which allows these single head of households and low income family households, to work and to provide a safe and educational program for their children. These City administered social programs also aim at increasing social opportunities of the younger generation who are currently financially disadvantaged. These opportunities are intended, in the long run, to improve the social and economic status of future generations so that the percentage of those residents who cannot afford housing is decreased.

The following statements are, indeed a consolidation, refinement and extension of some of the housing related goals, policies and priorities that the City Council has established during the past decade.

A. GOAL STATEMENT A: NEW HOUSING

It shall be the Goal of the City to promote adequate housing developed by the private sector to meet the economic, social and transportation needs of all citizens; which best utilizes existing community facilities and structure; which minimizes the environmental hazards and incompatible land uses; and which enhances the quality of life in residential neighborhoods.

Policy A-1: Support State Housing Policy

It shall be a policy of the City to support State Housing policy of emphasizing "... the use of those public powers which impact on housing, including, but not limited to land use controls, development controls, and regulatory concessions and incentives."

Policy A-2: Integrated Strategy for Development

It shall be a policy of the City to continue to implement an integrated strategy for the development of new housing, commercial activities, provisions of public facilities and creation of employment opportunities.

Policy A-3: Support Private Sector Housing Production

It shall be the policy of the City to facilitate the efforts of the private sector in the production of new housing.

Policy A-4: Variety of Housing

It shall be the policy of the City to promote a variety of housing types at scales, values and locations carefully selected to provide housing opportunities for all economic segments of the population, while emphasizing the protection and conservation of existing single family neighborhoods.

Policy A-5: Market and Non-Market Housing Production Needs

It shall be a policy of the City to achieve to the maximum extent feasible, the production of new housing in sufficient quantity to meet both market-rate and non-market rate housing needs of the community.

Policy A-7: Land Use and Housing Components for Balance

It shall be a policy of the City to implement, through the Housing Element and Land Use component, a comprehensive set of strategies to produce job/housing balance. High value executive type housing shall be encouraged for the management and professional personnel of businesses locating or expanding in the City as well as new starter family and elderly housing.

Policy A-8: Emphasize Sales Housing for Owner Occupants

It shall be a policy of the City to emphasize the production of sales housing for prospective owner occupants.

B. GOAL STATEMENT B: MAINTENANCE AND CONSERVATION

It shall be the goal of the City to maintain and conserve the existing housing in the community in a decent safe and sanitary condition in each neighborhood; protect the quality of life in each neighborhood from encroachment of other uses or environmental hazards; and maintain the public facilities and services.

Policy B-1: Maintain Residential Character

It shall be a policy of the City to protect and maintain homogeneous single family residential areas in order to maintain the City's existing residential character by fostering improvement of homes and neighborhoods by maintenance, rehabilitation and replacement actions.

Policy B-2: Neighborhood Involvement and Organization

It shall be a policy of the City to support and foster the involvement of citizen's groups or organization to provide input from interested individuals to voice the problems and needs of the community.

Policy B-3: Incompatible Land Uses

It shall be a policy of the City to eliminate where feasible, the incompatible mixture of residential and non-residential land uses through selective rezoning and redevelopment.

Policy B-4: Public Facilities

It shall be the policy of the City to provide for or cause the provision for, the development of schools, parks, streets, sewers, storm drains, utilities, etc., and other public facilities to support the conservation and maintenance of the housing stock.

Policy B-5: Capital Improvement Support

It shall be the policy of the City to maintain a long term capital improvement program as funding permits, which identifies specific areas throughout the City and schedules projects that would directly support the conservation and maintenance of the housing stock throughout the City.

Policy B-6: Standard Condition of Housing

It shall be a policy of the City to attain a situation where the residents of La Habra live in housing that is in standard condition.

Policy B-7: Services to County Islands

It shall be a policy of the City to promote the adequate provisions of governmental services to County Islands by intergovernmental coordination, home rehabilitation for owner-occupants and owner-investors, and annexation.

Policy B-8: Neighborhood Housing Services

It shall be a policy of the City to continue to emphasize the use of residential maintenance and rehabilitation programs in the Neighborhood Strategy Area, and other designated residential rehabilitation areas.

Policy B-9: Rehabilitation Programs

It shall be a policy of the City to pursue appropriate rehabilitation programs for substandard dwelling units and participate in appropriate Federal and State grant programs in order to stimulate rehabilitation and preserve the desirable residential character of the community.

Policy B-10: Regulation and Enforcement

It shall be a policy of the City to administer and maintain necessary regulations and enforcement procedures previously established to ensure the proper maintenance of all residential dwelling units.

Policy B-11: Housing Design

It shall be the policy of the City to encourage housing providers to use elements of land use and structural design which add to the safety and security of residential environments during residential re-cycling and/or conservation.

Policy B-12: Energy Conservation

It shall be a policy of the City to encourage the design and construction of existing homes and rehabilitate housing to be built in accordance with energy saving criteria.

C. GOAL STATEMENT C: HOUSING ASSISTANCE AND BALANCE

It shall be the goal of the City to achieve adequate housing opportunities for all economic segments of the community regardless of race, creed, age, sex, ethnic background, physical condition or family status.

Policy C-1: Equal Opportunity

It shall be the policy of the City to support equal opportunity throughout the La Habra housing market area for all residents regardless of race, creed, national origin or ethnic group affiliation to obtain decent housing and suitable living environments within the City.

Policy C-2: Existing and Future Housing Needs

It shall be the policy of the City to foster the utilization, wherever possible, of the existing and future housing stock and future housing needs as the most feasible source of shelter to satisfy the housing needs of all economic segments.

Policy C-3: Assistance to Non-Profit Organizations

It shall be a policy of the City to achieve access to housing regardless of race, religion, ethnicity, sex and age by assisting efforts of non-profit organizations to combat housing discrimination.

Policy C-4: Support Participation in Housing Programs

It shall be the policy of the City to maximize the opportunities when feasible to support and participate in programs sponsored by other levels of government which would assist households in need of monetary housing assistance, financing or housing rehabilitation funds.

Policy C-5: Special Needs of the Homeless

It shall be the policy of the City to recognize the importance and the need to temporarily house the homeless, and others in crisis situations.

Policy C-6: Apartment Conversion to Ownership

It shall be the policy of the City to regard the conversion of apartments-to-condominiums as a positive contribution to the housing situation, provided that homeownership opportunities are made available to moderate-income households, tenant displacement problems are mitigated, and a desirable level of apartment or rental units are retained in the housing stock.

Policy C-7: Additional Housing Assistance Resources

It shall be the policy of the City to continue to seek additional resources to meet the needs of lower income households, special need households and the homeless, that are spending more than they can afford on shelter.

Policy C-8: Obtaining Rehabilitation Funding

It shall be the policy of the City to continue the City's active role in seeking and obtaining a wide variety of rehabilitation financing devices to meet diverse needs.

Policy C-9: Day Care

It shall be the policy of the City to promote day care services to assist the female head of household, single head of household, and the low-moderate income families special needs for day care in order to be employed to support housing costs.

Policy C-10: Special Need Households

It shall be a policy of the City to recognize the special needs of certain segments of the community including the elderly, handicapped, large families and low and moderate income families; and to make provisions for housing which facilitates these special needs.

Policy C-11: Job Training

Recognizing that affordable housing can be obtained with adequate household income, it shall be a policy of the City to promote job training/retraining for residents to increase employment opportunities which support housing costs.

Chapter IX

LA HABRA'S FIVE YEAR HOUSING PROGRAM

Once needs and constraints have been analyzed, existing conditions addressed and previous programs evaluated, a course of action to satisfy unmet housing needs should be developed. The City's good faith efforts to implement the policies and achieve the goals of this Housing Element will be demonstrated through various programs. The proposed five year program of implementation measures are designed to achieve the following:

Identify adequate sites which will be made available through zoning and development standards for a range of housing types to meet the community's goals.

Assist in the development of housing affordable to low and moderate income households.

Address and where appropriate and legally possible, remove governmental constraints on the maintenance, improvement, and development of housing.

Conserve and improve the condition of the existing affordable housing stock.

Promote equal housing opportunities.

Additionally, the Housing Element is to identify the agencies or officials responsible for implementation of the five year housing programs. La Habra, with its various departments and divisions plays the crucial role in implementing housing programs. The City's housing efforts are funded by the municipal budget and various grants and contracts from federal, state and county divisions such as the Federal Housing and Community Development Act Grant. In addition, by participation of city officials and contractual agreements, other housing assistance providers are the La Habra Neighborhood Housing Services, Inc., and the Orange County Housing Authority. The City's five year housing programs are identified as follows under the agencies responsible;

A. LOCAL GOVERNMENT

The City is involved in the development of housing through zoning, subdivision, and building regulations. Additionally, the City provides financial assistance for housing development and rehabilitation. The active departments that would implement the programs set forth, under the policy guidance of the City Council, include: (1) the Office of the City Manager, (OCM); (2) the Community Development Group comprised of the Planning, Building and Safety, Engineering, Economic Development, Community Preservation and Redevelopment Departments/Divisions, (CDD); (3) The Community Services Group including the Child Development, Employment and Training and Social Services Divisions, (CSD). Unless otherwise identified, the City Planning Department of CDD, in conjunction with the the Office of the City Manager, implements most of the City's programs. The various programs that the City will or continue to implement are as follows:

1. General Plan Update and Implementation.

The City's CDD is currently undergoing an extensive update of the General Plan which this Housing Element is part of this process. The General Plan Land Use Component will identify and preserve established neighborhoods of various residential types. The General Plan process will also include the identification of vacant or underutilized sites for potential residential development. A wide range of housing types will be encouraged for transitional areas of the City to meet the community housing need. A Transitional - Commercial/Residential land use designa-

tion has recently been incorporated into the General Plan, which allows for land as they come available, to develop either commercially, or as high density residentially. Consideration and incorporation of density bonuses for affordable housing will be included in the General Plan update of the Land Use component. The General Plan update should be completed by 1991, resulting in approximately 313 new housing units with the conservation of 1,057 existing housing units. The conservation of these existing units provides for maintenance of a variety of housing types which encompass all levels of income households. The implementation of the Land Use Component by the CDD is a program that involves an ongoing process.

2. Land Use Controls and Enforcement.

Most of City's housing stock conforms to the provisions of both the Land Use Element and Zoning Code. The Zoning Code establishes the housing types, densities and development standards for various categories of residential land use. The Code also protects those housing units that are "nonconforming" in use or structures. Such housing units and their occupants, however, are not excluded from the potential benefits of the City's housing improvement programs later described in this Section. In 1983, the Code was amended to allow replacement of a dwelling unit on nonconforming lots and further allowed administrative approval of certain variations from the development standards of the Code for properties that are within the target areas of City sponsored housing rehabilitation programs. It is expected that this latter provision of the Zoning Code will facilitate the time and cost reduction for rehabilitation projects of 10 single family homes. Implementation of the Zoning Code by the CDD is an ongoing program.

The City has adopted and the Building and Safety Dept. enforces the Uniform Housing Code, 1982 Edition. The Housing Code specifies those conditions of existing housing which are deemed to be substandard and sets forth procedures for their improvement or removal. The purpose of the City's code enforcement program is to safeguard the health and safety conditions of the residents (including overcrowding) and address structure improvement of the existing housing stock. The program is interrelated with neighborhood revitalization activities, particularly the programs administered through NHS. Enforcement of the Housing Code involves inspections request which are made to the City. Those conditions of violations of Code standards must be corrected if the owner wishes to obtain assistance through one of the rehabilitation programs. The City has assigned one official exclusively to this program to complete the initial inspection, identify code violations and ensure compliance with the appropriate city ordinances throughout the rehabilitation process. Housing Code enforcement is an active program of the City and will continue to be during the next five years.

3. Housing Rehabilitation Assistance.

- a. The City has always been actively involved with its senior citizens and is constantly working towards creating and improving housing for these residents. One activity financed by contractual allocations made by the County of Orange, as an entitlement jurisdiction, is an Urban County grant from the U.S. Department Of Housing and Urban Development Block Grant program. The City's Economic Development Dept. in cooperation with Mercury Savings and Loan offers a special home improvement program especially for senior citizens over the age of 55, with low to moderate income. This is an ongoing program. Since 1978, the City has facilitated 31 such loans and within the five year horizon it is projected that an additional 13 such loans will be utilized by senior home owners.
- b. Another ongoing program, is the First Interstate Loan again administered through NHS. The City and

First Interstate Bank have developed a special Home Improvement Loan Program for residents with low to moderate incomes within a designated target area. The program offers homeowners in this area loans from \$1,000 to \$20,000 for Home Improvement with a 15 year term at an interest rate of 8.5 percent. It is projected that an additional 5 loans will be utilized by residents within the five year schedule.

- c. The City's Economic Development and Planning Depts., in conjunction with the Office of the City Manager will continue to investigate and utilize whatever subsidy programs available to provide home affordability and rehabilitation assistance to the elderly, very low-moderate income households, first time home buyers and single head of households. With the cooperation of local lending institutions, below market financing for low-moderate income families to purchase or rehabilitate homes in the NHS target area could yield assistance to an additional 10 households.

4 & 5. Density Bonus for Seniors/Low-Moderate Income Families.

A second program of the City established for senior residents, is the continuation of policy for density bonuses for senior housing. The City has approved three senior housing projects with a cumulative total of 234 units since 1982 at densities well above the highest range allowed by zoning, because the projects provided needed senior housing. In addition to this established precedence, the City has also granted parking and floor space reductions. The City's CDD will also study and implement a density bonus in accordance to State mandates for affordable households. The continuation of the City's policy on senior housing and the inclusion of the mandated density bonuses for affordable housing may increase the housing stock by 20 units.

6. Special Needs of the Handicapped.

The City's CDD, (Building and Safety Dept.), enforces through the plan check process, Title 24, of the California Administrative Code, which provides regulations for adaptability and accessibility of apartment buildings to provide for the safety and welfare of physically handicapped residents (and or visitors). Since the law has been in effect, the City has required a total of 79 apartment units to be handicapped accessible. Accessibility or adaptability means the allocation of at least \$760.00 per unit for the provision of grab bars, rails, lower light switches, lower counters or wider door improvements. However, this requirement is contingent on the number of units per project (5 or more) and the location of the units (ground floor). For an apartment complex to be handicapped equipped, the project must consist of more than 21 units. The City's infill parcels are extremely limited for future development of a residential project as significant as 22 or more units. Handicapped accessible units are projected within the five year horizon, to total 50 apartment units.

7. Priority Processing.

The City's CDD will give priority processing to those very low and low income developments. Generally, housing cost increase with the time needed to obtain required project approvals. "Priority processing" is intended to expedite the approval of applications for low cost housing and to make such development more attractive to developers. The impact of this technique upon reduction of housing cost is uncertain.

8. La Habra Boulevard Specific Plan.

The City has prepared and adopted the La Habra Boulevard Specific Plan along the downtown portion of the City.

The newly created Transitional Commercial-Residential General Plan Land Use designation which has been placed on ten properties within the Specific Plan area should yield some multiple family residential projects. The goals and objectives of the Specific Plan are designed to be accomplished in the long term program, for example, to develop a sizable project, several substandard lots need to be acquired, combined and their on-site improvements removed for appropriate residential developments. However, through the five year schedule of this Element, 50 additional units could be added to the housing stock of multiple family dwellings, through the Specific Plan process, implemented by the City's CDD.

9. Second Units.

The City's Planning Dept. will continue to allow second units on single family designated lots with approval of a conditional use permit. Within the five year horizon, approximately 5 second units are projected to be developed.

10. Elderly Unit/"Granny Flats".

The City Planning Dept., will continue to encourage "granny flats", (second units in single family lots with smaller floor area and less restrictive standards), with approval of a conditional use permit. Approximately 5 such units are projected to be developed within the five year program.

11. Referral Service for Housing Discrimination.

To discourage discrimination, the City's OCM and CDD, will continue to seek state and federal enforcement of fair housing laws and will cooperate with local agencies that investigate claims of discrimination.

12. Support La Habra Neighborhood Housing Service.

The City's OCM and CDD will continue to support La Habra NHS, and will continue to exempt planning fees for development applications for housing rehabilitation.

13. Enhance Residential Quality and Energy Conservation.

The City's CDD will endeavor through the development review process to ensure that the City's community character, housing quality visual environment are improved, and that energy conservation features are incorporated into the design of residential developments.

14. Condominium Conversion

The City's CDD will continue to enforce the Condominium Conversion Ordinance and policies which will create affordable housing for moderate income household purchase, and preserve a percentage of rental units. Though it is not expected that within the five year horizon, that an apartment complex will convert to condominiums.

15. Infrastructure Improvement

The City's OCM and CDD, (Engineering Dept.), has an ongoing municipally-funded public works program that generates improvements and maintenance to the community's infrastructure.

16. New Development

The City should experience within the five year time frame of this Element, housing production of an estimated 300 units. The majority of the new development will be small scale on vacant infill sites and of recycling older units with higher densities. Should an environmental document be certified, a specific plan may be approved and implemented, the Chevron Oil production field may yield approximately 1,000 additional units phased within a 5 to 10 year period. If this should occur, it is projected that approximately 300 units could be constructed within the 5 year planning horizon of this Element.

17. Job Training

Continue City's OCM and CSD administration of the Jobs Training Partnership Act Grant, for the JTPA program for the Northwest Group. The program emphasize programs for youth with approximately 52% of allocations appropriated to youth programs, with the balance to On-The Job-Training, etc. The program also provides for older workers and displaced workers. The Northwest Group is the second largest program administered in the County, surpassed only by the County. The JTPA program is engaged in cooperating with the State's GAIN program. The latter is designed to reduce welfare expenditures by training the seeking of employment for welfare recipients and long-term unemployed.

18. Child Development

Continuation of the City operated Child Development Care programs, implemented by the OCM and CDD. The Child Development Care program has been operated by the City for the past 15 years. The program is financially supported by two sources of monies, parent fees and grants from the State Department of Education. The programs, by State law, are restricted to children from homes with income at 80% or less of the adjusted family median income. The exception is the Latchkey program which has a minimum ratio of 50% of children with parents paying full cost fees.

19. Headstart

Continue operation and expansion of the Headstart program. With the discontinuance of the Headstart program by the school district, the City became only the second city in the State to operate this program. The City provides land and the structure for this facility and the program operation is budgeted through federal grant funds. The program is expected to expand 25% from 85 children in 1990-1991 to 136 children in 1991-1992 and again 18 percent by 1992-1993 to 166 children. The City's OCM and CSD implements this program.

20. Homeless/Emergency Shelter

Study provisions for temporary shelter for the homeless, i.e. ordinance allowances for development and or fast tracking of development proposals and identify appropriate sites for emergency shelters. Currently, the City has an preliminary proposal by "Mary's Home", a non-profit organization sponsoring a project assisting families in transition to move from homelessness into permanent housing. The preliminary proposal consists of 40 housing units and has a proposed site location as identified on Map 4, and Table 19 in this Element.

21. Impact Fees

The City's CDD will study provisions for new development for impact on affordable housing. Investigate nexus of new development and affordable housing in the City and develop reasonable formula to compensate for the provision of very low and low cost housing.

22. Modular/Mobile Housing

Continue the allowance and encouragement of modular/mobile housing in residentially zoned properties, and to maintain zoning and General Plan designation for the five existing mobilehome parks. The City's CDD is responsible for land use processing of these items.

23. Density Increase

The City's CDD shall initiate study of density increase for residential land use ranges. Currently, the highest residential density range designation is 15 to 23 units to the acre. The City will study the potential impacts of increasing this density range and unit floor area requirements to allow the potential of increase housing units on available and recyclable land.

B. CITY OF LA HABRA REDEVELOPMENT AGENCY

The Redevelopment Agency of the City of La Habra was activated pursuant to provisions of the State Health and Safety Code, by adoption of Ordinance on January 7, 1975. The City Council and the Agency have approved eight small redevelopment projects areas in accordance with state law. An integral element of the redevelopment process is provision relating to the development of affordable housing for persons and families of low and moderate income. Specifically the law (Health and Safety Code 33334.2, etc. seg.) requires redevelopment agencies to set aside 20 percent of the tax increment generated in each project area, and any interest earned on those increments, in a special Low and Moderate income housing funds unless certain findings are made. The City's OCM and CDD will be responsible for the implementation of the RDA programs.

The City Redevelopment Agency is complying with this provision and during the past ten years has moved to provide resale housing affordability by the sale of a unique residential mortgage revenue bond issue. This Mortgage Revenue Bond program included moderate income limits for borrowers and requirements for homes purchased to

meet certain required standards (including the provision for rehabilitation), with loans offered on a City wide basis. Loans for 80 percent to 95 percent of loan to value were made to 424 families/individuals.

24. Redevelopment Agency powers

The Agency has purchased a parcel of land, utilizing the 20 percent low-moderate income housing set-aside, for a future development of a Senior citizen apartment complex. The property, costing \$370,500, was purchased with available set-aside monies plus a note to be paid from future housing set-aside funds. The property will accommodate approximately 18 senior or 13 small family apartment units.

24a. Approximately \$450,000 of the balance and expected accrual of the 20% set aside tax increment fund within the 5 year housing period, for low-moderate housing, if not utilized for the construction of the apartment complex for Program #24, will be utilized for the establishment of low and moderate income housing programs to be administered by the Redevelopment Agency through the OCM and the CDD. Housing programs to be investigated may include, but not be limited to, mortgage revenue bonds with emphasis on first time home buyers and single head households, revolving loans, and substandard housing rehabilitation. These programs to be investigated by 1991 and implemented thereafter.

C. ORANGE COUNTY HOUSING AUTHORITY

Housing authorities are local public agencies authorized by State law to provide housing for "persons or families who lack the amount of income necessary to enable them to live in decent safe and sanitary dwellings" (Health and Safety Code Section 34200-34506). The City is a participant member of the Orange County Housing Authority, OCHA. Membership is expected to continue through the five year housing program schedule. City staff members of the CDD and CSD participates in the implementation of the OCHA programs.

25. Section 8 Existing

The City will continue to participate in and promote the Section 8 Existing Housing Program. The City currently participates in Section 8 Existing program. To qualify, a household must have an income of 80% or less of the County's median income, adjusted for family size. It is projected that 230 households will continue to receive Section 8 assistance if this program is extended by the Federal Government.

26. Housing Voucher program.

The City will participate in the Housing Voucher program if it become available, or replaces the Section 8 certificates. Housing vouchers are allocated using the same eligibility requirements applied to Section 8 certificates. However, families with vouchers have a broader range of housing and neighborhoods from which to choose. They are not limited to "fair market rate" rental units as are Section 8 certificate holders.

27. Section 8 New Construction.

Section 8 new construction is one component of the City's strategy for meeting the financial assistance needs of renter households in new housing, that is continuously monitored. Like its counterpart in the existing housing stock, the new construction component offers monthly assistance payments so that lower income tenants pay no more than 25.0 percent of their income for housing. Under the auspices of that program, a 56 unit senior citizen apartment complex was completed in 1977. The usage of this program is difficult to project, as implementation requires availability of property for purchase. The unachieved goal of the 1981 Housing Element was 50 new additional units to be built under the provision of Section 8 new construction program. This program is again placed in this Housing update to achieve 50 new rental units.

D. LA HABRA NEIGHBORHOOD HOUSING SERVICES

La Habra Neighborhood Housing Services, NHS is a partnership arrangement involving financial institutions, the City and the community being served. The City initiated the process of developing an NHS program and is quite unique in that respect. NHS is a tax exempt nonprofit corporation with a board of directors comprised of local community and business leaders. The corporation operates in the public interest.

Included in the above NHS/RLF programs, the City also facilitates and promotes the revitalization of urbanized County Islands. La Habra has a strong policy of delivering municipal level services to ``island'' neighborhoods. For this reason, the City actively encouraged housing rehabilitation of nearby unincorporated neighborhoods. The unincorporated ``islands'' rehabilitation loan program operates from an initial allocation of \$86,000 from the County's CDBG funding and is administered by NHS. Thus far, three loans have been issued for a total of \$57,500. Since the programs inception, however many of the County islands have been annexed into the City to facilitate even services. However funding is available for the remaining County islands for home rehabilitation.

28. HCD/High Risk Revolving Loan Fund.

The City from its annual CDBG funds, has allocated resources to the NHS owner-occupant, high risk revolving loan fund. Through 1989, 107 loans in the amount of \$1,588,915 had been made. These loans are limited to non-bankable clients. Between the 1989 and 1994, it is projected that 75 additional loans can be made for rehabilitation if funding remains supportive .

29. NHS/Revolving Loan Fund

Continued financial support and implementation of the NHS owner-occupant revolving loan program. This program was established to provide assistance to lower income owners for the rehabilitation of homes or to construct new housing sold to low to moderate income families within the Neighborhood Housing Service Target area. Through 1989, 19 loans were made of which 7 were for new construction. It is projected that during the Housing Element horizon, a total of 25 loans can be made to rehabilitate or construct new housing.

E. MAXIMUM FEASIBLE UNITS:

Based upon the needs assessment, the regional housing needs, the evaluation of the previous Housing Element and current and projected housing programs and development, the following numbers are estimates of the maximum feasible units that could be achieved under the best conditions during the five year housing plan.

Construction:	1,106
Rehabilitation:	138
Conservation:	1,287
Total:	2,531 Units

New construction units were estimated by projecting the number of units that can be developed on existing vacant land, recycled and rezoned sites. Rehabilitation of units were estimated by projecting the number of units which could be rehabilitated with available CDBG funds and future fundings. Conserved units were estimated by projecting the number of households receiving subsidized assistance and the number of units protected by recent land use designation changes of the General Plan Land Use component and the Zoning Map.

Of the total maximum potential units to be built, conserved or rehabilitated, 929 or 36 percent are targeted for very low-low income households; 1,202 or 48 percent will serve moderate income households and 400 or 16 percent of the total units will serve high income families.

Table 29

**Quantified Summary of Housing Programs
1989-1994**

Program Description	Policy Objectives	Responsible Agency	Financing	Timing	5 - year Goal
1. General Plan Update Conserve, new housing	A-2,4,5,7; B-1, 3,4,5,7,10; C-1,2	City Planning Dept., CDD	General Fund	1991	313 New (all types) 11,057 Conserve
2. Code Enforcement Maintenance	A-1; B-1,6,8,10, 11,12; C-2	City Bldg. & Safety, CDD	General Fund	On-going	10 Rehab Units (VL, L)
3. City Rehabilitation Assistance	B-9; C-1,7,8	City Economic Dev., CDD	General Fund	On-going	28 Rehab. Units (VL, L, Mod.)
4-5. Density Bonuses New Construction	A-3,4,8; C-7,10	City Planning (Review), CDD	General Fund	1991	20 new Units (VL, L)
6. Handicaped Regs. New Construction	C-7,10	City Bldg. & Safety, CDD	General Fund	On-going	Facilitates access
7. Priority Processing Assistance	A-3,4; B-8; C-10	City Planning Dept., CDD	General Fund	On-going	Facilitates Housing
8. L.H. Specific Plan New Construction	A-2,3,4,5,7	City Planning Dept., CDD	Development Fees	On-going	50 new units (Mod.)
9. Second Units New Construction	A-1,3,4,5; B-2; C-7,10	City Planning (Review), CDD	General Fund	On-going	5 new units (VL, L)
10. "Granny Flats" New Construction	A-1,3,4,5; B-2; C-7,10	City Planning (Review), CDD	General Fund	On-going	5 new units (VL, L)
11. Referral Assist. Maintenance	A-1; C-1,3,10	OCM, CDD	General Fund	On-going	Facilitates Maintenance
12. N.H.S. Programs	A-3; B-2,8,9; C-10	City Planning OCM, CDD	General Fund	On-going	Facilitates Conservation
13. Energy/Quality Review Process	B-1,11,12	City Planning Dept., CDD	General Fund	On-going	Facilitates Improvement
14. Condo. Conversion Conservation	A-4; C-6,10	City Planning Dept., CDD	General Fund	On-going	Conservation
15. Infrastructure	A-2; B-4,5	City Engineer CDD, OCM	General Fund	On-going	Facilitates Improvement
16. New Development New Construction	A-2,3,4,5,7,8; B-3; C-1	City Planning (Review), CDD	Development Fees	5 yrs.	600 New units (300 high, 300 mod.)
17. Job Training Social Improvement	A-2; C-1,7,10,11	OCM & CSD County	General Fund Contract	On-going	Facilitates Affordability

Table 29 (Part two)

**Quantified Summary of Housing Programs
1989-1994**

18. Child Development Social Improvement	A-2; C-7,9	OCM & CSD	Parents fees state grants	On-going	Facilitates Affordability
19. Headstart Social Improvement	A-2; C-7,9,10	OCM & CSD	federal grants Local Gov.	On-going	Facilitates Affordability
20. Homeless New Construction	A-3; C-5,7	City Planning Dept., CDD	General Fund	1992	40 new units (VL, L)
21. Impact Fees Conservation-new	A-1,2,4,5; B-1 C-1,3,4,7,10	City Planning Dept., CDD	General Fund	1991	To be determined (VL, L)
22. Modular/Mobilehomes Conservation-new	A-4; B-1; C-10	City Planning (Review), CDD	General Fund	On-going	To be determined
23. Density Increase	A-1,3,4,5,7,8; B-11; C-10	City Planning Dept., CDD	General Fund	1991	To be determined
24-24A. Redevelopment	A-1,3,4; B-11; C-1,3,4,7,10	OCM, CDD, RDA Eco. Plg.	20% set aside	1992	18 new units (VL, L, Mod.)
25. Section 8 Rental Financial Assist.	C-1,4,7,10	City Planning OCHA	Section 8 Funds	On-going as funds are available	230 units conservation (VL, L)
26. Housing Vouchers Financial Assist.	C-1,4,7,10	City Planning OCHA	Section 8 Funds	On-going as funds are available	Facilities Affordability
27. Section 8 new construction	A-1,2,3,4,5; C-1, 3,4,7,10	City Planning OCHA	Section 8 Funds	On-going as funds are available	50 new units (VL, L)
28. H.C.D./ RLF Rehabilitation	A-4; B-1,2,7,8,9; C-1,2,3,4,10	CDBG	CDBG	On-going	75 units Rehabilitation (VL, L)
29. N.H.S. Rehabilitation	A-4; B-1,2,7,8,9; C-1,2,3,4,10	Local Lenders Local Gov.	Local lenders Local Gov.	On-going	25 units Rehabilitation (VL, L)
30-31. Federal Assist. Housing Conservation	A-4; B-1,2,7,8,9; C-1,2,3,4,10	City Planning HUD & CDD	Developer Owner	1992	Facilitates Affordability

Chapter X

PUBLIC PARTICIPATION

The La Habra Housing Element has been prepared under the guidance of the State Office of Research and Planning State Department General Plan Guidelines. In the process of preparing the Housing Element, meetings have been conducted with the City Council, Planning Commission, city staff and the Community General Plan Advisory Committee. The Community General Plan Advisory Committee consists of residents, representatives of social organizations, commissions, business, schools and other agencies and organizations within the community. Prior to the course of the development of this Housing Element, the City of La Habra conducted surveys with the general public and officials to solicit their input regarding the updating of the City's General Plan and what directions they wanted the City to develop.

The City Council finding that public participation is a priority in the development of the City's General Plan and Housing Element, formulated the Community General Plan Advisory Committee, which has participated in approximately 20 meetings, of which at least 3 meetings were devoted to the preparation and review of this Housing Element update. This significant commitment and participation of the Committee has led to the gradual development of this Housing Element.

Copies of this Housing Element have been forwarded to those community agencies and organizations involved in housing for further comment, and copies have also been made available to the general public.

The City of La Habra City Council and Planning Commission have conducted two public joint study sessions on this Element. There has been one public hearing before the Planning Commission and one public hearing before the City Council to assure maximum public participation.

CONFIDENTIAL - SECURITY INFORMATION

PROBABLE CAUSE WARRANT

State of California, County of Los Angeles, Sheriff's Department, Los Angeles, California

On this 12th day of March, 2014, I, the undersigned, a peace officer of the Los Angeles Sheriff's Department, do hereby certify that I have observed the following facts and circumstances which lead me to believe that the following person is in possession of, or is about to possess, a controlled substance, to-wit:

1. On or about 3/12/14, I observed the following person, [redacted], in possession of a controlled substance, to-wit: [redacted].

2. On or about 3/12/14, I observed the following person, [redacted], in possession of a controlled substance, to-wit: [redacted].

3. On or about 3/12/14, I observed the following person, [redacted], in possession of a controlled substance, to-wit: [redacted].

4. On or about 3/12/14, I observed the following person, [redacted], in possession of a controlled substance, to-wit: [redacted].

5. On or about 3/12/14, I observed the following person, [redacted], in possession of a controlled substance, to-wit: [redacted].

6. On or about 3/12/14, I observed the following person, [redacted], in possession of a controlled substance, to-wit: [redacted].

7. On or about 3/12/14, I observed the following person, [redacted], in possession of a controlled substance, to-wit: [redacted].

8. On or about 3/12/14, I observed the following person, [redacted], in possession of a controlled substance, to-wit: [redacted].

9. On or about 3/12/14, I observed the following person, [redacted], in possession of a controlled substance, to-wit: [redacted].

10. On or about 3/12/14, I observed the following person, [redacted], in possession of a controlled substance, to-wit: [redacted].

11. On or about 3/12/14, I observed the following person, [redacted], in possession of a controlled substance, to-wit: [redacted].

12. On or about 3/12/14, I observed the following person, [redacted], in possession of a controlled substance, to-wit: [redacted].

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AMENDMENT TO
THE HOUSING COMPONENT

CHAPTER XI
PRESERVATION OF ASSISTED HOUSING

Adopted by Resolution No. 4064
December 17, 1991

Prepared by: La Habra Community Development Division

CITY COUNCIL

James H. Flora, Mayor
William D. Mahoney, Mayor Pro Tem
John C. Holmberg, Councilman
David M. Cheverton, Councilman
Juan M. Garcia, Councilman

PLANNING COMMISSION

Joan A. Johnson, Chairman
Patrick M. Kelley, Vice Chairman
Paul G. Thornburg, Commissioner
Michael C. Collins, Commissioner
Eugene R. LaBlond, Commissioner

CITY MANAGER
C. Lee Risner

CHAPTER XI

PRESERVATION OF ASSISTED HOUSING

Recently, new legislation enacted in 1989, (SB 1281, Chapter 1451), expands the required contents of a housing element to include an assessment and inventory of existing assisted low-income housing developments that are eligible to convert within the ten year analysis period (July 1, 1989 to June 30, 1999). The inventory includes all multiple family rental units which are assisted under Federal, State and/or local loan and rental subsidy programs. This assessment is required to be incorporated into the Housing Element by January 1, 1992.

A. INVENTORY OF ASSISTED HOUSING UNITS:

There are two low income rental unit complexes in the City that were financed using low interest F.H.A. insured loans in exchange for keeping rental rates affordable for low income people. While the term of the mortgages for these two projects is 40 years, the owners are allowed to prepay the loan after 20 years and raise rents to any profit-making levels desired. These two low income rental unit projects, subject to termination of federal subsidies are as follows:

1. Casa El Centro:

Located at 101 North Cypress Street, is a 56, one bedroom unit senior citizen apartment complex. The project is owned by the Stuard Family Trust in El Toro, California. The complex was developed in 1978 with Section 8 New Construction and Section 221 (d), (4), monies. The new construction component offers monthly housing assistance payment so that lower income tenants pay no more than 30.0 percent of their income for housing. This particular development was a long term ambition of the City and the site was planned specifically for senior citizen housing by the Redevelopment Agency in its "Plan for Downtown Redevelopment". The project received special design consideration for increased density, decreased square footage in the size of the units and a parking reduction to better suit the needs of the elderly. The contract for assistance is for 20 years. This project's earliest date to negotiate for subsidy termination was November of 1990 with the contract extending for ten years thereafter.

The current five year term of the contract began on April 2, 1990 and expires on April 1, 1995. The contract may be renewed for one more additional five year term beginning April 2, 1995.

2. Las Lomas Gardens:

Located at 940 West Las Lomas Drive, is a 112 unit apartment complex owned by Goldrich, Kest and Associates in Culver City, California. This multiple family development consists of 14 one -bedroom units, 48 two-bedroom units, 44 three-bedroom units and 6 four-bedroom units. In 1969, the City approved this development whose lower-income occupants were to receive the cost reducing benefits caused by below market interest rate financing. This was the first development in Orange County to be assisted by Section 236 Interest Reduction Payment Program. Under Section 236, periodic payments are made to private lenders who have financed low-income rental and cooperative housing projects. These payments amount to the difference between monthly debt expenses at market interest rate. Since debt service payments are reduced, the monthly rents are reduced and more within the economic means of lower-income households. As a result, Las Lomas Garden apartment has some of the lower rental rates in the City. The terms of this contract is for 40 years with the earliest date for negotiation to terminate the contract on July 15, 1991, and then extending 20 years thereafter. On July 31, 1990, the owner filed with HUD, a Notice of Intent to Prepay, but as of August 1991 the owner has not taken any further action.

The City has no other governmental assisted projects with the exception of Section 8 existing certificates and vouchers administered by the Orange County Housing Authority which is not an affected program pursuant to this legislation.

B. TEN YEAR ANALYSIS PERIOD:

The ten year planning horizon of the City of La Habra Housing Element is from July 1, 1989, through June 30, 1999. The horizon of the current Housing Element is from July 1, 1989, to June 30, 1994, at which time the Element would require to be updated and reviewed by the State for compliance to state legislation. The current effective Housing Element was adopted by the City of La Habra City Council on July 30, 1989. The Housing Element was adopted after receipt of comments from the State Housing and Community Development, (HCD), and revisions were made to address the comments of the state reviewer. Part of the comments of the current effective Housing Element was to incorporate this Chapter on Subsidized Housing by January 1, 1992. This amendment therefore, covers the potentiality of lost assisted affordable units within this five year horizon of the current effective Element.

1. First Five Years:

Between July 1, 1989, and June 30, 1994, the property owners of Casa El Centro, have the option to negotiate for subsidy termination. The owners of Casa El Centro did not utilize their option to opt out of the contract in November 1990, instead extending their contract to November 1995. These 56 subsidized units are protected from removal from the affordable rental housing stock until April 1995, beyond the effective date of this current Housing Element. The contract with HUD may be renewed at the option of the owner for one more additional five year term beginning on April 2, 1995, and extending to April 1, 2000. If the owner opts out of the contract, they will have to file a Notice of Intent no later than April 1, 1994. If a Notice is not filed by April 1994 the contract is automatically renewed for an additional five years. Constant monitoring of the status of this project will have to be maintained to appropriately address the potentiality of the risk of these 56 units losing use restrictions in the City's updated Housing Element in 1994.

The owners of the 112 unit Las Lomas Gardens, had the option of prepaying the mortgage on July 31, 1991, effecting the current five year horizon of the City's Housing Element. The owners did file a Notice of Intent to Prepay, which is a prerequisite to the process for conversion. The owners however, have not filed a Plan of Action and have indicated to the City through verbal and written communication, that the firm has no present plans for prepaying the HUD mortgage and in fact, their likely intent is to eventually obtain a new HUD insured second mortgage which would maintain the units affordable for an additional 20 years. HUD has also confirmed to the City that the owners have taken no further actions.

However, should the owner intend to change the project status, such action, as well as certain actions by the City, would be subject to the provisions of federal law, specifically, the Emergency Low-Income Housing Preservation Act, (ELIHPA) or the Low-Income Housing Preservation Act (LIHPRHA). These acts can provide additional federal incentives to maintain the affordable restrictions for another 20 to 50 years.

It appears unlikely that any units from these two federally assisted housing projects will actually lose their use restrictions within the first five year subset of the ten year analysis period. However, technically, the 112 units of Las Lomas Gardens are considered to be at risk during this five year horizon.

2. Second Five Years:

Casa El Centro has another option in April 1995, to renew the Contract for Section 8 HAP for an additional five years. The owners have indicated their intent to renew their contract for the second five year term. Like the owners of Las Lomas Gardens, who have also indicated their intent to secure a second mortgage loan to maintain the affordability of these units, the owners of Casa El Centro cannot predict what the contents and impacts are that would result with new legislation due in 1992, and any future new laws and pending development of other federal incentives, that may effect their final decision. The owners, acting with good business sense, are not willing to make a commitment of future actions beyond the first five year period. Thus at this point in time, there is no solid commitment that either the 56 senior units or the 112 family units will not be at risk of conversion to market rates in the long term within HCD's ten year required analysis. It appears that such business projections are ineffectual, especially, when potential new legislations effecting conversion may dramatically effect such decisions.

Technically, (though probably not actually), therefore, the 56 senior units of Casa El Centro will be a risk during the second five year subset of the ten year horizon.

C. COST ANALYSIS:

The state legislation also requires that the City provide an analysis which estimates the total cost of producing new rental housing that is comparable in size and rent levels, to replace the units that could be changed from low-income use, and an estimated cost of preserving the assisted housing developments.

Since both Casa El Centro and Las Lomas Gardens collective 168 unit apartments will technically fall under the category of being "at risks of loss" during the ten year analysis period, rough and preliminary cost estimates are being provided for discussion purposes.

1. Replacement Costs:

To replace the two subject projects with new construction would definitely pose a question of economically feasibility. The nation is currently within a economically recessed period, which is

Table 30

Las Lomas Gardens:

Construction Cost:

Site Improvements	\$800,000
Building Construction	\$5,686,500
Contingency	\$1,600,000
Total Construction Cost:	\$6,486,500

Other Costs:

Construction Cost:	\$6,486,500
Various Fees :	\$1,085,000
Interests Reserve:	\$900,000
Land Cost:	\$4,684,450

TOTAL REPLACEMENT COST: \$13,150,950
(\$117,464 per unit)

Table 31**Casa El Centro:****Construction Cost:**

Site Improvements	344,000
Building Construction	2,456,100
Contingency	688,000
Total Construction Cost:	\$3,488,100

Other Costs:

Construction Cost:	\$3,488,100
Various Fees :	\$ 600,000
Interests Reserve:	\$ 478,300
Land Cost:	\$ 794,550

TOTAL REPLACEMENT COST: \$5,360,950
 (\$95,731 per unit)

quite evident in North Orange County and can be documented in the City by the lack of building permits currently being issued for new development. Utilizing figures for residential development in today's depressed market, and further making general assumptions, replacement costs within the ten year period are as follows in Table 30 and 31. A replacement cost for Las Lomas 112 units which is at risk during the first five year subset of the ten year period, would be at \$13,150,950. Casa El Centro's 56 senior apartments are at risk in the second five year subset of the ten year analysis period. Replacement cost is estimated at \$95,731.

The above analysis utilizes general assumptions and rounded off estimates, not all contingency costs are included. Both projects are high cost items for replacement and the City would have major economic constraints to replace these projects due to limited and restricted reserves.

2. **Preservation Analysis:**

a. **Las Lomas Gardens**

The roughly estimated market value of Las Lomas Gardens is \$9,474,000, but operations/management, debt service and capital expenditures reduces the net spendable cash to approximately \$355,900. With a new mortgage, this project would have a negative cash flow. The pertinent preservation costs would be the public subsidies needed, and if additional federal incentives were provided, the preservation costs would not be nearly as much as new construction even though the apartments have depreciated 20 years.

b. **Casa El Centro**

Casa El Centro which does not have as much depreciation as the Las Lomas Gardens, has a rough estimated market value of \$3,575,000 with operational costs resulting in a net spendable cash flow of only \$119,149. With a new mortgage, this project would have a negative cash flow. Purchase of these apartments would likewise be near the cost for new construction even though these units have depreciated ten years.

D. CONSTRAINTS FOR REPLACEMENT/PRESERVATION OF AT RISK UNITS:

The conversion of any of these two projects to market-rate rent is subject to federal government regulations which could affect termination date of the subsidy contracts. Other constraints for replacement or preservation of these "at risk" units are the effects of prevailing trends.

1. Construction Cost:

There are several factors which affect the feasibility of producing new rental units comparable in size and rent levels to replace "at risk" projects in La Habra. First, the demand for housing in Orange County is high, and the value of residential land as well as construction costs has become a substantial factor in the cost of developing housing. It is only expected that these costs will increase and there is no foreseen trend which would change the housing market such that these major factors will be reduced. The cost of new construction in this hypothetical analysis, dictates that higher rents than those currently charged by either project, would have to be substantially higher than very low to moderate income households can accommodate. For example, to make construction economically feasible to replace the Las Lomas Garden apartments would require the average rent to increase approximately \$200 above fair market rents. This fact represents that replacement of these projects are not economically feasible.

2. Building Design:

Also in regards to Las Lomas, this apartment complex has a substantial number of three and four bedrooms units and in today's market, not many new developments are being built with more than two bedrooms per unit.

3. Land Availability:

One of the major constraints that the City has in regards to any new development has been discussed in length throughout this Element, and that is the lack of available land. An apartment complex like Las Lomas Gardens, requires at least 5.5 acres to be built, even if there is a variance on development standards. The City has no such vacant parcel available for such development. The only current vacant site is 7 acres, but this land is designated for commercial professional use and is currently being master planned by the owners for the hospital expansion of medical offices. Similarly, Casa El Centro is built upon an acre of land in downtown La Habra Boulevard, with variances for increase density, and reduction of parking and building square footage. Because these units are for seniors, other prominent considerations for this project's location were proximity to services and transportation. There is currently no site along La Habra Boulevard near downtown which can duplicate the apartment's current advantages.

E. OPPORTUNITIES FOR REPLACEMENT/PRESERVATION OF AT RISK UNITS:

The City recognizes the need for conserving affordable housing and the impact it would have on low income households if these units are not preserved. In order to maintain a healthy percentage of affordable housing, the City is already committed to encourage the provisions of affordable housing as new multiple family projects are built. There are two specific projects which the City is currently involved with.

1. Redevelopment Agency:

Within the adopted Housing Element, one of the proposed programs is to guide the development for a 12 unit apartment project to be owned, developed and managed by the La Habra Neighborhood Housing Services (NHS), in partnership with the La Habra Redevelopment Agency. The proposed project will consist of 4 one-bedroom units and 8 two-bedroom units with rents to be maintained at affordable rates (as established by the Orange County Housing Authority) for families whose income does not exceed 50% of the county median. If all approvals and negotiations are successful, the proposed project could be constructed and operational within the first five year subset of the ten year analysis period.

2. Density Bonuses:

The City is currently working with a property owner to develop a small multiple family project of 13 apartment units. The City will consider granting a density bonus for 5 of the 13 units providing they are made affordable for a 30 year period. The project is being considered under a lower density residential designation that would allow a maximum density of 8 units. The 5 unit increase represents a 62% increase in density allowance over current land use designations. This project is currently scheduled for consideration of entitlements and if approved could also be constructed within the first five year subset.

F. OTHER RESOURCES FOR PRESERVATION OF AT RISK UNITS:

The City has made numerous inquiries to local non profit and public agencies to ascertain whether they are capable and interested in acquiring and managing the two existing projects and maintain affordable controls, if the projects were available for sale. A total of eight agencies were interviewed with only three positive responses.

1. California Housing Partnership Corporation (CHPC):

The City has been in contact with the California Housing Partnership Corporation regarding the preservation of affordable units for low and very low income households. CHPC has expressed interest in assisting the City in the development of strategies and the evaluation of new sources of funding for the preservation of affordable units. Although, they do not have the financial resources to acquire the properties, they may be of assistance in developing the specific details of the programs the City may implement to assist in the preservation of at risk units.

2. Orange County Community Housing Corporation (OCCHC):

OCCHC is one of the largest developers of affordable housing in the County. OCCHC has expressed their interest in assisting the City in the preservation of housing at risk. This Corporation builds and manages units for low income households. They also purchase projects, rehabilitate, and manage them. They have worked with many cities in Orange County and own over 95 affordable units throughout the County.

3. Neighborhood Housing Services of La Habra (NHS):

Neighborhood Housing Services of La Habra is a not for profit organization which has also expressed their interest in preserving affordable rental units in the City. NHS would consider acquiring "at risk" assisted units, should they become available for sale.

Since the owners of Casa El Centro and Las Lomas Garden apartments, have indicated their intentions to maintain affordability of these units, no specific negotiations, commitment or discussion was appropriate with the various non profit and public entities regarding acquisition of these projects. However, their interest is being noted and should the project owners seriously consider sale of these projects, these entities and others will be re-contacted.

G. POTENTIAL PRESERVATION FINANCE SOURCES:

The City is limited in its economic ability to provide funding for either the acquisition and rehabilitation of at-risk units in the City. The City's 1991-92 General Fund is balanced to the extent that it provides for mandated and necessary services to the community. There is no excess of available contingency to subsidize these projects for this current fiscal year or the next five years.

1. Redevelopment Agency Housing Set-Aside Fund:

The City's Redevelopment Agency has eight small redevelopment project areas. State law governing property tax increment income of Redevelopment Agencies requires, except under certain very limited and specific exceptions, that 20 percent of all such income be set aside and utilized for purposes of improving, creating and/or otherwise directly benefiting persons/families of low and/moderate income. Such housing set-aside funds are not required to be expended within a redevelopment project area but should be of benefit to project areas. In the event that these housing set-aside funds are not expended within a five year period from receipt, it is required that such funds be given over to the County Housing Authority or similar agency/authority for housing uses to benefit low and moderate income persons/families, with the recipients of such funds being at the discretion of such authority/agency.

The La Habra Redevelopment Agency purchased real property along La Habra Boulevard with housing set-aside funds. The property must therefore, be used for this specific purpose or exchanged for property of like value suitable for residential purposes, with the exchange not resulting in a "loss" for the purposes of housing. The project is approximately .59 acres in size and is mentioned in Chapter IX of this Element in regards to the City's adopted Five Year Housing Program. Since the adoption of the Housing Element in 1990, the Agency has approved that this land be given to Neighborhood Housing Services to be developed into 12 affordable small family rental units. The development of this project would replace 12 of the 112 units "at risk" at Las Lomas Gardens. The remaining of the reserve of the housing fund will be utilized either for construction assistance for this project or other programs as already mentioned in this Element. There is insufficient funds to purchase Las Lomas Gardens or replace it with new construction.

2. CDBG funds:

The City participates in the Orange County Community Development Block Grant Program. Recently, the City filed an application request prioritizing community needs for year XVII which is from July 1991, through June of 1992. The County allocated a total of \$190,000 from the funds to support five priority/urgent programs as proposed by the City. Approximately 15 percent of these funds were utilized for housing rehabilitation of private properties. Because these funds are allocated through legal contracts, there is no additional funds that may during this time be reallocated for preserving "at risk" units. Funding from the CDBG funds will be considered again in 1992 and the process includes a City's citizen participation committee and City Council approval of priority projects, and approval by the County of the City's allocations. Though there is certainly insufficient funding allocation to the City to subsidize either of these projects at risk, funds can be proposed for other indirect incentives for preservation, though there is no guarantee that such funding will be approved.

3. Housing Authority Reserves:

The City currently participates in the Section 8 Existing Housing program. To qualify, a household must have an income of 80 percent or less of the County's median income, adjusted for family size. Currently 230 households continue to receive Section 8 assistance. The City can promote additional participation with the Orange County Housing Authority and the federal Housing and Urban Development departments to increase the available of certificates/voucher programs to assist affected tenants of projects "at risks". OCHA has indicated they have a budget of 40 million dollars for their voucher/certificates programs. Countywide, they serve 6,285 families, but have a waiting list of approximately 14,000 families. Neither HUD or OCHA have a priority list of emergency assistance for tenants that may be displaced due to conversion of assisted housing, would qualify for other subsidies.

H. QUANTIFIED OBJECTIVES.

La Habra has made significant strides to have maintained a healthy percentage of affordable housing. La Habra's Five Year Housing Programs identified a range of programs that are designed to assist in the development, rehabilitation and conservation of affordable housing for low and moderate income households. It is estimated that 2,531 units could be built, conserved or rehabilitated under the best of all conditions over the five year time frame. Of the total potential units, 36 percent or 929 units, are targeted for very low-low income households. Conservation of the Casa El Centro and Las Lomas Garden units would increase this total to 1,097 or 41 percent. The housing programs and the five year goals are presented in Chapter IX: La Habra's Five year Housing Programs, of this Element.

I. PROGRAMS FOR PRESERVATION.

The conservation of these projects at technical potential risks during the ten year analysis period totals 168 units. Additional programs are, therefore, being proposed for the conservation and preservation of these 168 units at risk, and are as follows;

30. Program: City Administrative Office, City Council, and Redevelopment Agency support the State Department of Housing and Community Development policy of preserving government assisted affordable housing projects eligible to convert to market rents, and participate when appropriate, in the State's assistance to the City for the two projects within La Habra.
31. Program: Community Development Division, (CDD), to prepare an Ordinance for City Council adoption, that will require that conversion of government assisted affordable housing projects to market rents be approved by the City for recommendations to the appropriate State or Federal Agency. This Ordinance shall require such information that is deemed necessary including but not exclusive of a tenant assistance and relocation plan, and documentation of compliance with other state and federal regulations. This program to be completed and in effect during 1992.
32. Program: The City's Administration Office shall designate a representative from the Community Development Division, to monitor the federal Housing and Community Development Department processing of "at risk" units and in the event any of the assisted low income housing becomes available for sale, this City designee shall assist in locating potential buyers capable of acquiring and conserving "at risk" projects and assist in the referral of assistance for displaced tenants. A City representative shall be designated during 1992.
33. Program: City CDD shall investigate and apply for funding as appropriate, through CBDG funds, federal funds for emergency assistance for tenants displaced, and any other state and federal assistance.

APPENDIX A

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

Housing Policy Development

Division

1800 Third Street, Room 430

P.O. Box 952053

Sacramento, CA 94252-2053

(916) 323-3176



June 28, 1990

Mr. Lee Risner
City Manager
City of La Habra
P. O. Box 337
La Habra, CA 90631

RE: Review of La Habra's Revised Draft Housing Element

Dear Mr. Risner:

Thank you for submitting the City of La Habra's revised draft housing element, received May 22, 1990. As you know, this Department is required to review draft housing elements and report our findings to the locality (Government Code Section 65585(b)).

Our review of the City's revised draft element was facilitated by a telephone conversation on June 5 with Roy Ramsland, the City's Associate Planner, and a letter written that same day from Kathy Kim, Director of Planning. We appreciate their cooperation and assistance.

You should be aware that Chapter 1451, Statutes of 1989, requires all housing elements to include, by January 1, 1992, additional needs analyses and programs to address the potential conversion of existing assisted housing developments to non-low-income housing uses during the next ten-year period (Government Code Section 65583(a)(8) and (c)(6)). The City may wish to respond to this issue while revising this draft to avoid having to amend the element again by January 1992. We are aware of two HUD-subsidized projects of this type in La Habra, and have attached information which may assist the City in addressing this new requirement. There may be other assisted housing developments within La Habra also eligible to convert to non-low-income use during the next ten-year period. HCD is developing a technical assistance document to assist localities in meeting this new requirement.

Recently enacted State general obligation bond programs established by Proposition 77 (California Earthquake Safety and Housing Rehabilitation Bond Act of 1988) and Proposition 84 (Housing and

Mr. Lee Risner
Page Two

Homeless Bond Act of 1988) are currently available to assist localities with funding to implement low-and very low-income housing programs. These funds may be used for the following activities:

- acquisition and rehabilitation of rental housing and residential hotels,
- rehabilitation of owner-occupied housing,
- seismic rehabilitation of multifamily rental housing,
- rental housing construction,
- acquisition and rehabilitation of emergency shelters,
- development of migrant farm labor centers, and
- development of congregate housing for families and the elderly.

Inquiries regarding these and other assistance programs offered by HCD should be directed to:

California Department of Housing and
Community Development
Division of Community Affairs
P.O. Box 952054
Sacramento, CA 94252-2054

Telephone (916) 322-1560

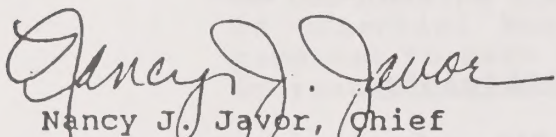
La Habra's revision of its housing element added much useful information. We note the addition of several excellent analyses, including a thorough review and evaluation of the 1981 element. The City is justifiably proud of its accomplishments related to the provision of affordable housing opportunities in its jurisdiction, in spite of a limited supply of vacant land.

In our opinion, however, certain other revisions are necessary to comply with Article 10.6 of the Government Code. We hope our comments are helpful to the City. If you have any questions regarding our review, please contact Margaret Bell at (916) 323-3180.

Mr. Lee Risner
Page Three

At their request, pursuant to the Public Information Act, we are forwarding copies of this letter to the persons and organizations named below.

Sincerely,


Nancy J. Javor, Chief
Division of Housing Policy
Development

NJJ:MB:bt

APPENDIX

City of La Habra

The following changes would, in our opinion, bring the La Habra draft housing element into compliance with Article 10.6 of the Government Code. Following each recommended change or addition, we refer to the applicable provision of the Government Code. Where particular program examples or data sources are listed, these suggestions are for your information only. We recognize that La Habra may choose other means of complying with the law.

A. Housing Needs, Resources, and Constraints

1. Analyze the availability of financing as a potential and actual non-governmental constraint on the development of housing for all income levels (Section 65883(a)(5)).

The revised element contains a detailed analysis of housing costs (page HOU-36) under the heading "Financial Costs." Unfortunately, it still does not contain the required analysis of the availability of financing. Such an analysis should consider whether financing is generally available, whether interest rates are significantly different from surrounding areas, and whether there are income groups in the community who are underserved for new construction or rehabilitation loans. Knowledge of this will assist housing programs such as mortgage revenue bonding, a mortgage credit certificate program, and targeted low-interest rehabilitation loans.

Information on the availability of financing may be available from local financial institutions under the Home Mortgage Disclosure Act (HMDA), and the Community Reinvestment Act (CRA). Both are federal requirements. The HMDA requires specified lending institutions to disclose the number, amount, and location of mortgage and rehabilitation loan originated or purchased. Lending institutions not covered under HMDA may be required by State disclosure law to provide comparable information (Section 35816 of Health and Safety Code).

The CRA requires that specified lending institutions help meet the credit needs of their communities. Each lending institution covered by the CRA must provide maps describing its lending areas and information about the types of loans it provides, and establish a public file containing written comments from the community regarding the institution's CRA performance.

B. Quantified Objectives

1. Establish quantified objectives for the maximum number of housing units than can be constructed over the five-year time frame (Section 65583(b)).

The new construction objective is significantly less than the locality's share of the regional housing need. When quantified objectives are less than identified need, the element should include the analysis used to establish the maximum objective.

If the housing element is revised to expand the inventory of potential housing sites and provide the necessary programs to make them available, the City may be able to increase its quantified objectives for new construction.

C. Housing Programs

1. Establish a schedule of program actions which the City will implement during the planning period of the element. Each program action should specify the implementation time frame and the City agency or official responsible for administering the program (Section 65583(c)(1) through (5)).

The listing of housing programs in Table 28, pages HOU-73 and 74, assigns responsibility for implementation to "local government." It should specify the entity or individual having primary responsibility for each program. Ms. Kim's letter directs our attention to pages 63 through 72 for additional information on the City's housing programs. However, the required information is not available on those pages for all the programs described.

The time frame for reaching objectives in each program should be within the five-year period. The new development program (number 16) has a time frame of "5 to 8" years. It should indicate how many of the 600 new houses are expected to be developed within the five-year period covered by the element.

The City may also want to increase its conservation objectives through a program to preserve existing housing units in mobilehome parks by approving more stable zoning on land where they are located.

2. Identify adequate sites which will be made available through appropriate zoning and development standards, and with public services and facilities needed to facilitate

the development of a variety of housing types for all income levels, including rental housing and mobilehomes, and the development of emergency shelters and transitional housing (Section 65583(c)(1)).

The element indicates 50 additional multiple family units could be developed during the five-year planning period through the specific plan process. However, the program statement in Table 28 refers to those units as "houses," and it does not appear that any of the potential new units listed in that table are apartments.

In reference to apartment construction (page HOU-40) the element indicates the "major constraint in La Habra is the demand outstripping supply." The element also indicates the City is essentially built out with little vacant land and no sites presently zoned for residential development which are suitable for large, high density projects.

The City may be able to increase the availability of residential sites through zoning changes such as the redesignation of commercial areas for mixed use, the provision of authority for zero-lot-line development in areas where small, individually-owned lots are not suitable for development under existing standards, and increasing densities.

The element should also include a program to identify a site, or sites, for emergency shelters to address the unmet need for emergency housing referenced in the element.

4. Chapter 1140, Statutes of 1989, amends housing element law (Section 65583(c)) to require the housing program of an element to include, by January 1, 1990, a description of the use of moneys in a redevelopment agency's Low and Moderate Income Housing Fund if the locality has established a redevelopment project area pursuant to the Community Redevelopment Law (Division 24, commencing with Section 33000, of the Health and Safety Code).

The element points out that the redevelopment agency used Low and Moderate Income Housing Funds to purchase land on which the construction of 18 housing units is expected to be completed during the five-year planning period. The discussion should be expanded to include an estimate of the resources expected to accrue to that fund over the five-year period and a description of how the agency plans to assist housing with those funds.

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

Housing Policy Development

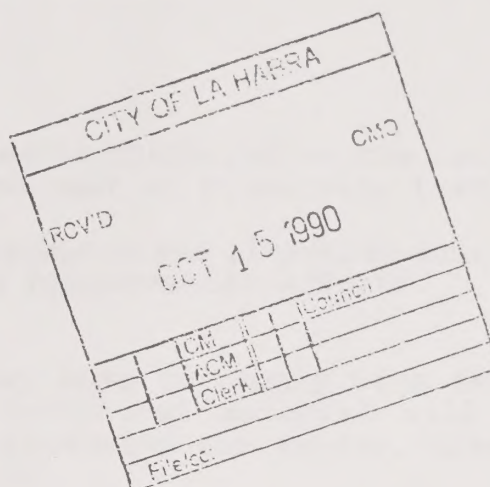
Division

800 Third Street, Room 430

P.O. Box 952053

Sacramento, CA 94252-2053

(916) 323-3176



October 11, 1990

Mr. Lee Risner
City Manager
City of La Habra
P. O. Box 337
La Habra, CA 90631

RE: Review of La Habra's Revised and Adopted Housing Element

Dear Mr. Risner:

Thank you for submitting the City of La Habra's housing element adopted by the City Council on July 31, 1990. It was revised pursuant to comments in our letter of June 28, 1990, and received in this office on September 4, 1990. As you know, this Department has authority to review adopted housing elements and report our findings to the locality (Government Code Section 65585(a)).

Our review of the City's adopted element was facilitated by a telephone conversation on September 24 with Kathy Kim, the City's Director of Planning. We appreciate her cooperation and assistance.

In our opinion, La Habra's revised and adopted housing element is in compliance with Government Code Article 10.6. The element now includes the required analysis of financing availability, quantified objectives, and clarifies the agencies responsible for implementing the City's housing program. However, in our opinion, revisions will be necessary prior to January 1, 1992, to bring the element into compliance with requirements pursuant to Chapter 1451, Statutes of 1989, related to the preservation of at-risk assisted units.

The material added (pages 75 and 76) to address the preservation issue discusses only federally assisted housing units in La Habra. We have enclosed a detailed outline of the requirements of Chapter 1451 to assist you in the following:

- identifying other units that may be at risk of conversion to non-low-income uses;

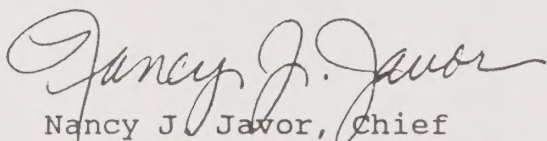
Mr. Lee Risner
Page Two

- providing the necessary analyses to characterize the nature of units at risk and estimate the cost of preserving them;
- identifying nonprofit housing sponsors and financing sources which may assist the City in its preservation efforts.

We appreciate the efforts the City has made to comply with State housing element law and hope this additional material will be helpful. If you have any questions regarding our review, please contact Margaret Bell at (916) 323-3180.

At their request, pursuant to the Public Records Act, we are forwarding copies of this letter to the persons and organizations named below.

Sincerely,



Nancy J. Javor, Chief
Division of Housing Policy
Development

Attachment

cc: Roy Ramsland, Associate Planner, City of La Habra
Kathy Kim, Director of Planning, City of La Habra
Conrad G. Tuohey, Law Offices
David Quezada, Fair Housing Council of Orange County
Ralph Kennedy, Orange County Housing Coalition
Crystal Simms, Legal Aid Society of Orange County
Maya Dunne, City of Irvine
Ana Marie Whitaker, California State University Pomona
Jean Forbath, Orange County Human Relations
Jonathan Lehrer-Graiwer, Attorney at Law
Western Center on Law & Poverty
Justin Clouser, Poverty Law Center
Ellen G. Winterbottom, Law Offices
David Booher, California Housing Council
Joe Carreras, Southern California Association of Governments
Kathleen Mikkelson, Deputy Attorney General
Bob Cervantes, Governor's Office of Planning and Research
Richard Lyon, California Building Industry Association
Kerry Harrington Morrison, California Association of Realtors
Marc Brown, California Rural Legal Assistance Foundation
Christine D. Reed, Orange County Building Industry Association
Rob Wiener, California Coalition for Rural Housing

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